

In order to avoid unacceptable market, counterparty and operational risks, exchanges used to price index constituents as well as index constituents themselves need to fulfill certain eligibility criteria. These criteria are continuously reviewed by the BlockchainX index committee in order to stay relevant as a measure of risk reduction.

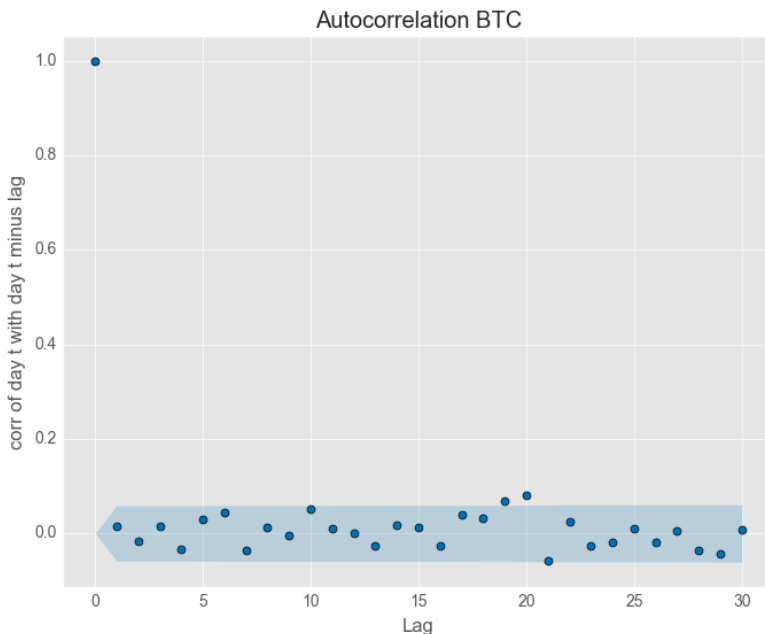


Figure 1: caption.

## Eligibility criteria for exchanges used to price index constituents

Exchanges are used to compute the composite value of the BlockchainX index. As such, they are integral to all aspects of both the blockchainX index and investment products that aim to track it. Exchanges are always used in order to ensure that the index is priced using primary data sources in order to ensure accuracy of provided data and the possibility to trade at source price. Furthermore, European Securities and Market Authority (ESMA) suggests that primary data sources are used in index construction. As of an exchange is eligible to price index constituents if it has: