

## UPDATE TO THE METHODOLOGY OF THE BNC-BTSE COMPOSITE & ALTCOIN INDEX

**Auckland, January 26, 2022** - Following the Quarterly Index Review and approval from the Brave New Coin (BNC) Oversight Committee, the BNC Index Committee will update the methodology of the BNC-BTSE Composite Index (BBCX) and the BNC-BTSE AltCoin Index (BBAX). The changes to the methodology are summarized below and will be reflected in the respective index methodology document.

Updates to the methodology were made to ensure the Index can best measure the underlying interest.

### **BNC-BTSE Composite Index methodology changes:**

Methodology	Section	Current Methodology	Updated Methodology
Maximum Basket Size	1.0	The index tracks a 3 asset basket, weighted by free float market capitalization, capped at 60%.	The index has a maximum basket size of 5 assets and is rebalanced quarterly based on a free float market capitalization weighting with a cap of 35%.

### **BNC-BTSE AltCoin Index methodology changes:**

Methodology	Section	Current Methodology	Updated Methodology
Maximum Basket Size	1.0	The index tracks a 4 asset basket, weighted by free float market capitalization, capped at 40%.	The index has a maximum basket size of 5 assets and is rebalanced quarterly based on a free float market capitalization weighting with a cap of 35%.

These changes do not affect the day-to-day calculation of the index, only the number of assets selected at the quarterly rebalance and the maximum weight a constituent can have. This change will be in effect at the next rebalance, **Wednesday, February 2, 2022 at 08:00 am (UTC)**.

### **About the Brave New Coin**

Brave New Coin (BNC) has been a leading provider of market data and index solutions to the cryptographic asset industry since 2014. Our focus is on transparency, timeliness and compliance. The BNC Sector Indices track the real-time market performance of a basket of large cap cryptocurrencies operating within a particular sector of the larger crypto asset universe. Launched in 2020, these institutional grade index products are amongst the first in the world to track multiple crypto assets at sub second frequency. For further information on the BNC Sector Indices please visit [www.bravenewcoin.com](https://www.bravenewcoin.com).