

BNC LIQUID INDEX SERIES OCTOBER 2019 QUARTERLY REVIEW

Brave New Coin Index Governance Committee announces the following items discussed during the BNC Quarterly Index Review. This change will affect the **Bitcoin Liquid Index (BLX)**, **Ethereum Liquid Index** and **XRP Liquid Index (XRPLX)**.

QUALITATIVE FACTORS METHODOLOGY

To keep improving its methodology, the Index Committee has started to identify new methods that will reinforce the liquidity evaluation. These metrics are currently being tested and could potentially be subject to inclusion as part of the qualitative factors.

EVALUATION OF CONSTITUENTS

Bitfinex re-inclusion

Bitfinex represents significant trading volumes across the LX series. However, the Index Committee decided during the review to not include them for the following quarter. The on-going incidents at Bitfinex push their re-inclusion decision to a further date.

- Ongoing fraud lawsuit¹ initiated by New-York attorney general denying the company's request for the case to be dismissed.
- Announcement² by Bitfinex that they are expecting a new market manipulation lawsuit.

Whether these statements are true or false, the Index Committee assessed that they will need further discussion with Bitfinex representatives to get clarity on their status before taking any further action.

About the Brave New Coin Liquid Indices program

Brave New Coin's (BNC) goal is to be the preferred provider of Market Data and Analysis to the global Cryptographic Asset market. BNC's focus is on transparent, timely and compliant market data and index solutions, something we have been providing since 2014. The Liquid Indices Program™ provides benchmark and reference pricing to the most liquid end of the respective markets. The Liquid Indices Program has been independently audited and aligned with IOSCO benchmark principles (SOC and EU BMR reviews pending).

For further information on BNC Indexes or BNC data, please visit our web site at www.bravenewcoin.com, or contact:

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¹ <https://www.bloomberg.com/news/articles/2019-08-19/bitfinex-faces-trial-over-new-york-s-claim-that-it-hid-losses>

² <https://www.bitfinex.com/posts/423>