

Bloomberg Galaxy DeFi Index

The Bloomberg Galaxy DeFi Index is a modified market cap-weighted benchmark tracking the largest decentralized finance (DeFi) protocols and apps that use smart contracts on blockchains to offer financial services such as lending, market-making and insurance, without a central financial intermediary. Index constituents are rebalanced monthly and have passed screens for pricing integrity and institutional liquidity/custody.

KEY FEATURES

- Tracking the performance of USD-traded DeFi assets
- Third-Party expert assessment on pricing sources for risk and suitability
- Calculated daily using [Digital Asset Research](#) (DAR) pricing methodology
- Rebalanced and reconstituted monthly

GUIDING PRINCIPLES

Bloomberg administers the benchmark according to four guiding principles:

| | |
|--------------------|--|
| 1. Data Integrity | Eligible prices are sourced in accordance with DAR Exchange Vetting and Pricing methodology. |
| 2. Diversification | No single constituent target weight can exceed 40% or contribute below 1% of the market capitalization of the Index. |
| 3. Representative | The Index seeks to provide a proxy for the broader DeFi market. |
| 4. Continuity | The Index is intended to be responsive to the changing nature of the market in a manner that does not completely reshape the character of the Index from year to year. |

CONSTITUENT SELECTION

Assets that meet all the following criteria are eligible for inclusion in the Index:

1. Digital asset classified as Decentralized Finance by Digital Asset Research
2. Institutionally traded and custodied with US-based institutions.
3. Not deemed a security by the US Security and Exchange Commission (SEC).
4. Pricing available from a minimum of three sources vetted by Digital Asset Research.
5. Constituent has met the above eligibility requirements for three consecutive monthly rebalances.
6. Hard forks¹ are considered using the same criteria as any established digital asset.

¹ A hard fork occurs when a blockchain protocol is radically changed, such that it becomes incompatible with older versions. In effect, participants taking part in transactions on the old blockchain must upgrade to the new one in order to continue validating transactions.

CONSTITUENT WEIGHTS & CORRELATION MATRIX

November 2021 Target Weights

| Name | Symbol | Target Weight |
|----------------------------------|--------|---------------|
| Uniswap | UNI | 40.00% |
| Aave Decentralized Lending Pools | AAVE | 18.19% |
| MakerDao | MKR | 10.09% |
| Compound | COMP | 8.53% |
| SushiSwap | SUSHI | 5.86% |
| Yearn.finance | YFI | 5.56% |
| Syntheticx | SNX | 5.01% |
| Ox | ZRX | 3.70% |
| Universal Market Access | UMA | 3.06% |

Legend

| Name | Ticker | Index Name |
|----------------|----------|--|
| US Agg | LBSTRUU | Bloomberg US Aggregate Bond Index |
| B500 | B500T | Bloomberg US Large Cap Index |
| BCOM | BCOMTR | Bloomberg Commodity Index |
| DEFI | DEFI | Bloomberg Galaxy DeFi Index |
| BTC | BTC | Bloomberg Galaxy Bitcoin Index |
| Gold | BCOMGCTR | Bloomberg Gold Index |
| 60/35/5 | BMADM635 | 60% Bloomberg DM Large-Map Cap Index + 35% Global Agg Index + 5% Bloomberg Commodity Index |

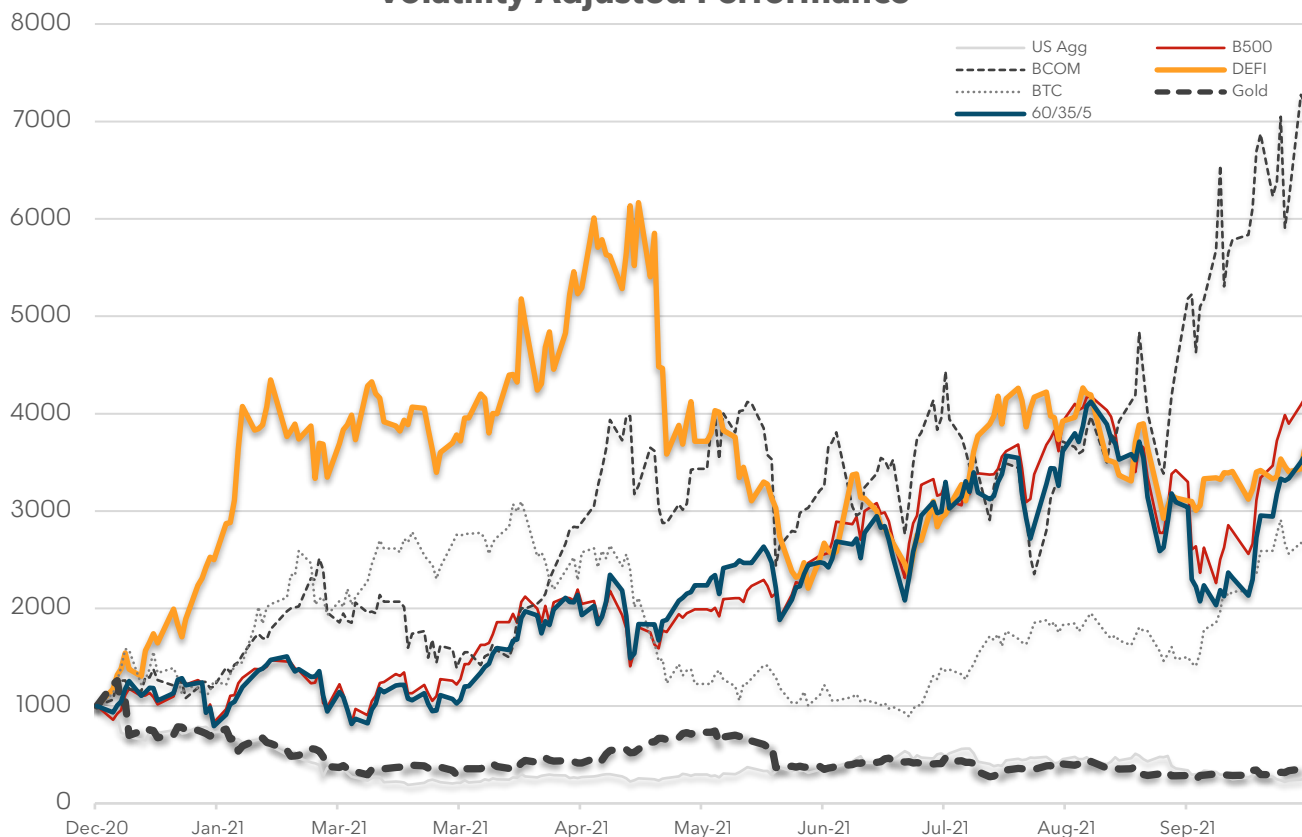
Correlation Matrix

31 Dec 2020 - 26 Oct 2021

| | DEFI | B500 | US Agg | BCOM | Gold |
|--------|-------|-------|--------|-------|-------|
| B500 | 11.8% | | | | |
| US Agg | 3.6% | 13.3% | | | |
| BCOM | 15.8% | 21.5% | -14.6% | | |
| Gold | 10.4% | 14.1% | 16.8% | 44.7% | |
| BTC | 56.6% | 16.0% | -6.9% | 14.8% | -4.0% |

PERFORMANCE

Volatility Adjusted Performance ²



² To compare indices across a wide range of volatilities, we first rebase all time-series to 1000 (DeFi's base), and then apply a scaling factor to daily changes so that the realized daily volatility for each time-series equals that of the benchmark (DeFi).

QUICK FACTS

| | |
|------------------------------|--|
| Bloomberg Ticker | DEFI Index |
| Weighting | Modified market cap |
| Currency | USD |
| Review Frequency | Monthly (reconstitution and rebalance) |
| History | Dec 31, 2020 |
| Inception | Aug 11, 2021 |
| Weighting | Based on market capitalization; calculated as product of circulating supply and price. Subject to weighting restrictions applied monthly such that no asset constitutes more than 40% or less than 1% of the Index. Between rebalancings, weights will fluctuate. |
| Calculation Frequency | Daily (4pm), Mon-Fri |
| Pricing | Time-weighted average price (TWAP) derived from eligible, non-outlier trades that occur within a 30-minute window prior 4pm ET. Quoted currency is USD. Prices sources have passed all of DAR's quantitative and qualitative criteria and are the most trustworthy exchanges that are not known to report inflated volumes and have robust policies and practices in place to prevent manipulative behavior. |
| Index Calendar | Index levels are published Monday-Friday on New York Stock Exchange trading days. |

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