



FUSEKI INDICES

INDEX RULES BOOK

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1 FACT SHEET

FUSEKI INDICES	
Indices Names	FUSEKI 10 Index FUSEKI 10 Liquidity Index FUSEKI 10 Performance Index
Indices type	Price indices
Index governance structure	GOin acts as Compiler and Supervisor of the indices
Eligible assets	Crypto Assets*
Assets selection (see 5.2.1)	Crypto assets 1) with the highest market capitalizations* 2) with at least 3 months of consecutive closing price and circulating supply history 3) that have not been blacklisted nor quarantined
Number of Constituents	10
Capping	N/a
Weighting (see 5.3.1)	FUSEKI 10 Index – Equally weighted FUSEKI 10 Liquidity Index – Liquidity weighted FUSEKI 10 Performance Index – Momentum weighted
Review of composition	Weekly on Monday for all FUSEKI Indices
Base currency	USD

NB: this factsheet is a summary of the rule book.

REFERENCE DATA				
Index name	Mnemo	Base date (dd-mm-yyyy)	Base value	Publication since (dd-mm-yyyy)
FUSEKI 10 Index	FUSEKI	01-07-2017	100	01-07-2018
FUSEKI 10 Liquidity Index	FUSEKI 10 WL	01-07-2017	100	01-07-2018
FUSEKI 10 Performance Index	FUSEKI 10 WP	01-07-2017	100	01-07-2018

2 GOVERNANCE AND DISCLAIMER

2.1 INDICES

This rule book applies to the indices listed below (hereinafter “Indices”) owned by GOin:

- FUSEKI 10 Index
- FUSEKI 10 Liquidity Index
- FUSEKI 10 Performance Index

2.2 SUPERVISOR & COMPILER

GOin is both the supervisor (hereinafter “Supervisor”) and the compiler (hereinafter “Compiler”) of the Indices.

As the Supervisor, GOin is responsible for 1) monitoring the selection of the Indices Constituents and 2) ensuring that the Indices offer a reliable and representative view of the market.

As the Compiler, GOin is responsible for 1) the day-to-day management of the Indices and 2) decisions regarding the interpretation of the Indices rules.

2.3 CASES NOT COVERED BY RULES

In cases which are not expressly covered by these rules, operational adjustments will take place based on the Indices overall goals. Operational adjustments may also take place if, in the opinion of the Compiler, it is desirable to do so to maintain a fair and orderly market in derivatives on this index and/or this is in the best interest of the investors in products based on the Indices and/or the proper functioning of the markets. The Compiler will report to the Supervisor if it took a decision about a case which is not specifically covered in the rules for comments and review.

2.4 RULE BOOK CHANGES

These rules may be supplemented, amended in whole or in part, revised or withdrawn at any time. Supplements, amendments, revisions and withdrawals may also lead to changes in the way the Indices are compiled or calculated, or affect the Indices in another way. The Compiler will submit all decisions regarding supplementing, amending, revising or withdrawing those rules to the Supervisor for recommendations or approval.

2.5 LIABILITY

GOin is not liable for any losses resulting from supplementing, amending, revising or withdrawing the rules for the Indices.

GOin will do everything within its power to ensure the accuracy of the composition, calculation, publication and adjustment of the Indices in accordance with relevant rules. However, GOin is not liable for any inaccuracy in the Indices composition, crypto assets prices, calculation and publication of the Indices, information used for making adjustments to the Indices and actual adjustments made to the Indices.

In addition, GOin does not guarantee the continuity of the composition of the Indices, the continuity of the method of calculation of the Indices, the continuity of the dissemination of the Indices levels, and the continuity of the calculation of the Indices.

2.6 OWNERSHIP AND TRADEMARKS

GOin owns all intellectual and other property rights of the Indices, including the names, the compositions and the calculation of the Indices. FUSEKI Indices, FUSEKI 10 Index, FUSEKI 10 Liquidity Index and FUSEKI 10 Performance Index are registered trademarks of GOin.

3 PUBLICATION

3.1 DISSEMINATION OF INDICES VALUES

3.1.1 CLOSING

The Compiler only publishes the Indices closing level.

The closing level is calculated using the last known prices of traded Constituents at 12:00 AM UTC time (hereinafter “Closing Time”), or in the case of Constituents that have non-traded, halted or suspended status, the last known closing prices or estimated prices.

3.1.2 CALCULATION AND DISSEMINATION

The Indices are calculated based on the close data at 12:00 AM UTC time in USD provided by CoinMarketCap (<https://coinmarketcap.com/>).

The level of the index at closing is calculated and published at 6:00 AM UTC Time on the following day unless exceptional circumstances arise.

3.2 EXCEPTIONAL MARKET CONDITIONS AND CORRECTIONS

GOin retains the right to 1) delay the publication of the Indices closing levels and 2) suspend the publication of the Indices closing levels if it believes that circumstances prevent the proper calculation of the Indices.

If Constituents prices are cancelled, the Indices will not be recalculated unless the Compiler decides otherwise.

3.3 ANNOUNCEMENT POLICY

Different procedures may apply depending on the nature of the announcement – changes in Indices constitutions, changes in Indices rules and methods of calculation. As a rule, the announcement periods that are mentioned below will apply. However, urgent treatments or late notices may require to deviate from the standard timing.

3.3.1 COMMUNICATION CHANNELS

All changes will be available on GOin’s website.

Comprehensive review and exceptional review results will be announced by official releases. Clients registered for the newsletter will receive an email to inform them of the results and their effective dates.

Clients who wish to get registered to the newsletter should contact GOin at contact@goin-invest.com.

3.3.2 REVIEWS

Rebalancing review results are published on GOin’s website on the day following rebalancing day. Each index has defined rebalancing dates – as detailed in part 5.1. The results include the new Constituents and their weighting in the Indices.

Comprehensive review and exceptional review results are published on GOin’s website on the day following the review.

3.3.3 CORPORATE ACTIONS AND OTHER INDEX ADJUSTMENTS

In case of an event that would affect one or more of the Indices Constituents, Indices adjustments will be published on the trading day before the effective date of such adjustment.

Forthcoming corporate actions

By publishing forthcoming corporate actions the Compiler would like to inform clients about upcoming non-periodical changes. The Compiler will inform the market about the intended treatment of the event in the index shortly after crypto asset details have become available and have been confirmed. Once the corporate action has been effectuated, the Compiler will confirm the changes in a separate announcement.

The forthcoming corporate actions are published on a daily basis and are subject to change.

3.3.4 RULE CHANGES

Barring exception, a period of at least 10 calendar days should pass between the date a proposed change is published and the effective date. Exceptions can be made only if the change is not in conflict with the interests of an affected party.

4 CALCULATION

4.1 CALCULATION OF INDICES PRICES

The Indices are calculated on a price return basis. The calculation is based on the number of units of each Constituent included in the index multiplied by the Constituent most recent closing price in USD and subsequently divided by the divisor.

The divisor is the initial value base of the Indices at base date. The divisor is adapted as a result of corporate actions and composition changes.

The formula for the Indices price calculation is:

$$I_t = \frac{1}{d_t} \sum_{i=1}^{10} Q_{i,t} p_{i,t} X_{i,t}$$

With :

t	Day of calculation
Q _{i,t}	Units of crypto asset i included in the index at close on day t
p _{i,t}	Price of crypto asset i at close on day t in USD
X _{i,t}	Current exchange rate to USD of crypto asset i at close on day t
d _t	Index divisor at close on day t

4.2 CURRENCY CONVERSION

The base currency of the indices is USD (hereinafter “Base Currency”).

The Indices closing levels in EUR are calculated using the last known EUR/USD exchange rate published by <https://fixer.io> at 12.00 AM UTC Time.

5 INDICES REVIEWS

5.1 GENERAL AIM AND FREQUENCIES OF REVIEWS

The general aim of the periodical reviews of the Indices is to ensure that the selection and weighting of the Constituents continues to reflect the underlying market or market segment they represent.

Indices reviews can be divided into the following categories:

Rebalancing reviews. Aim at selecting and weighting new Indices Constituents for a determined period of time.

Index name	Rebalancing review date	Rebalancing effective date	Duration
FUSEKI 10	Every Monday	On rebalancing review date	7 days
FUSEKI 10 Liquidity	Every Monday	On rebalancing review date	7 days
FUSEKI 10 Performance	Every Monday	On rebalancing review date	7 days

Comprehensive reviews. Aim at checking and updating the exclusions list. Conducted by the Compiler on Monthly basis at least.

Exceptional reviews. Aim at reviewing the overall functioning of the Indices in the case of an unexpected event or to make improvements in the processes.

5.2 INDICES UNIVERSE AND SELECTION PRINCIPLES

5.2.1 SELECTION PROCESS

The Indices Constituents are selected by carrying out the following process.

Selection of Candidates.

Crypto assets that have not been excluded (see “5.2.2 Exclusion” below) and that have at least 90 days of uninterrupted closing price and circulating supply* histories are sorted by market capitalization. The first fifty are selected as candidates (hereinafter “Candidates”).

Selection of Constituents.

The 60-day volatility and 30-day liquidity of each Candidate are calculated by using the following formulas:

$$volatility_{i,t} = \sqrt{\frac{1}{59} \sum_{k=1}^{60} \left(\frac{\ln p_{i,t-k+1}}{\ln p_{i,t-k}} \right)^2}$$

with

t	Day of calculation
$p_{i,t-k}$	Price of crypto asset i at close on day t-k in USD

$$liquidity_{i,t} = \frac{1}{30} \sum_{k=1}^{30} L_{i,t-k}$$

with

t	Day of calculation
$L_{i,t-k}$	Daily traded volumes of crypto asset i on day t-k in USD

The Candidates are then graded based on their 60-day volatility results: the less volatile crypto asset gets 50 points (i.e $sV_{\text{less volatile},t} = 50$), the most volatile gets 1 point (i.e $sV_{\text{most volatile},t} = 1$).

The same process is repeated for the 30-day liquidity results: the most liquid crypto asset gets 50 points ($sL_{\text{most liquid},t} = 50$), the less liquid gets 1 point ($sL_{\text{less liquid},t} = 1$).

A final score is calculated for each Candidate as follows: $s_{i,t} = 2 sV_{i,t} + sL_{i,t}$.

with

t	Day of calculation
$sV_{i,t}$	Volatility score of asset i on day t
$sL_{i,t}$	Liquidity score of asset i on day t
$s_{i,t}$	Final score of asset i on day t

The 10 Candidates with the highest scores are selected to integrate the Indices (hereinafter “Constituents”). If two Candidates or more get the same score, then the Candidate with the highest market capitalization is selected as Constituent.

5.2.2 EXCLUSIONS

At each comprehensive review, the Compiler publishes a list of crypto assets that will be excluded from the Candidates over an undefined period of time.

Excluded crypto assets include:

- Stable coins
- Crypto assets that are undergoing major operations such as hard forks and/or token swaps
- Crypto assets subject to trading failures
- Crypto assets subject to storage failures
- Crypto assets subject to fraud suspicions

The list of excluded crypto assets is publicly available and regularly updated by the Compiler.

5.3 PERIODICAL UPDATE OF WEIGHTINGS

5.3.1 UPDATE OF CRYPTO ASSETS WEIGHTINGS

Constituents' weightings are based on the following rules:

Index Name	Rebalancing review frequency	Weighting rules	Formula
FUSEKI 10	Monday	All Constituents are equally weighted	$w_{i,t} = \frac{1}{10}$
FUSEKI Liquidity 10	Monday	The Constituents are ranked based on their 30-day liquidity so that: $rL_{\text{most liquid},t} = 10$ and $rL_{\text{less liquid},t} = 1$ Each Constituent weight is then calculated as follows:	$w_{i,t} = 0.3 + \frac{0.7(10 - rL_{i,t} + 1)}{0.55}$
FUSEKI 10 Performance	Monday	The 7-day average performance (or momentum) of the Constituents is calculated as follow: $P_{i,t} = \frac{1}{7} \sum_{k=0}^6 \frac{pc_{i,t-k} - po_{i,t-k}}{pc_{i,t-k} + po_{i,t-k}}$ The Constituents are then ranked based on their momentum so that: $rP_{\text{most performant},t} = 10$ and $rP_{\text{less performant},t} = 1$ Each Constituent weight is then calculated as follows:	$w_{i,t} = \frac{(10 - rP_{i,t} + 1)}{0.55}$

with

t	Time of rebalance
$w_{i,t}$	Weight of Constituent i at time t
$rL_{i,t}$	Liquidity rank of Constituent i at time t
$P_{i,t}$	Momentum of Constituent i at time t
$pc_{i,t}$	Closing price of Constituent i at time t in USD
$po_{i,t}$	Opening price of Constituent i at time t in USD
$rP_{i,t}$	Performance rank of Constituent i at time t

6 CORPORATE ACTIONS

6.1 GENERAL

The Indices may be adjusted in order to maintain the continuity of the Indices levels and compositions. The underlying aim is that the Indices continue to reflect as closely as possible the value of the underlying portfolio.

Adjustments take place in reaction to events that occur with Constituents in order to mitigate or eliminate the effect of that event on the Indices.

6.2 REMOVAL OF CONSTITUENTS

6.2.1 DELISTINGS AND SUSPENSIONS

If a Constituent is suspended, the rule is that the Constituent will remain in the Indices until next rebalance review. Its price will remain at the last known price. However the Compiler reserves the right to take action if new developments give reason to do so. In case a Constituent is removed following suspension, it will be removed from the Indices as soon as possible and on a day announced by the Compiler. The Constituent will be removed from the Indices after Closing Time assuming a price of zero, unless the Compiler sets a different price supported by an objective and reliable source.

If it has been announced that a Constituent will be delisted from relevant exchanges, it will be removed from the Indices as soon as possible and on a day announced by the Compiler. The crypto asset will be removed from the Indices based on either the last known price established during regular daytime trading or on a price determined by the Compiler, whereby the crypto asset may also be removed at a price of zero.

Removing assuming a price of zero implies no divisor change because of the removal. If another price is set, the divisor will change based on the removal of the value of that company from the Indices portfolio when applying that price.

In the event that the trading in crypto assets is suspended, the last known price established during regular daytime trading will be used.

6.2.2 PRICING SOURCES

In the event that the trading in crypto assets is suspended, the last known price established during regular daytime trading will be used.

6.3 HARD FORKS* AND TOKEN SWAPS*

6.3.1 HARD FORKS

In case a crypto asset's underlying blockchain is to undergo a planned hard fork, it is temporarily excluded from the list of Candidates the day before the hard fork date.

In the event that a Constituents' underlying blockchain undergoes a hard fork, the crypto assets resulting from the fork will remain in the Indices until the next rebalance day. The Indices may then temporarily consist of more than the normal number of crypto assets until the next periodical review takes place.

From the first post-hard-fork rebalance day, the crypto assets resulting from the hard fork will be considered as Candidates for the Indices when they qualify for it, meaning from the time that 1) they are not excluded anymore by the Compiler; 2) they have at least 90 days of uninterrupted independent closing price and circulating supply histories and 3) its market data make it a potential Candidate.

6.3.2 TOKEN SWAPS

In case a crypto asset is to undergo a planned token swap, it is temporarily excluded from the list of Candidates the day before the Snapshot* date.

In the event that a Constituent undergoes a token swap, it will remain in the Indices until the next rebalance day.

The new crypto asset resulting from the token swap will be considered as candidate for the Indices when it qualifies for it, meaning from the time that 1) it is excluded anymore by the Compiler; 2) it has at least 90 days of uninterrupted independent closing price and circulating supply histories and 3) its market data make it a potential Candidate.

6.4 EARLY INCLUSION OF NON-CONSTITUENTS

As a rule newly listed crypto assets are considered for inclusion in the Indices from the moment they have at least 90 days of uninterrupted closing price and circulating supply histories.

7 DEFINITIONS

Blockchain. Particular type of Distributed Ledger* that employs a chain of blocks to provide a secure and valid distributed consensus.

Circulating Supply. Estimated number of units of a crypto asset that are circulating in the public market.

Crypto Asset. Digital asset recorded on a distributed ledger.

Distributed Ledger. Database consensually shared and synchronized among multiple participants and across multiple sites, institutions or geographies.

Hard Fork. Radical change in a blockchain protocol that makes previous blocks invalid and transactions valid, and thus requires all nodes and users to upgrade to the latest version of the protocol.

Market Capitalization. Price of a crypto asset multiplied by the circulating supply* of the said asset.

Snapshot. See “Token swap or Token Migration”.

Token Swap or Token Migration. Process of transferring crypto assets from one blockchain to another. A snapshot of the ‘old’ ledger is taken at time t, so that holders of the ‘old’ crypto asset receive a new ones in proportion to their holdings – the ratio used is generally 1:1, but can vary depending on the token swap specificities.