TALOS

MARKET CONSULTATION

Announcement

CMBI CANDIDATE MARKET GUIDELINES

Last Revised: September 2, 2026

TABLE OF CONTENTS

Introduction

The CMBI Candidate Market Guidelines define how Talos evaluates and selects the constituent markets used as data inputs for the CMBI Benchmarks.

Talos is proposing an update to the exchange eligibility criteria used in the CMBI Candidate Market Guidelines. In accordance with our CMBI Index Policies, Talos is consulting the market regarding this proposed update.

Responding to the consultation:

CMBI stakeholders are invited to respond by September 16, 2026. The responses will be reviewed by the Talos Oversight Committee and any resulting changes will be communicated via an announcement, which will be available on the talos.com public website.

Please submit your response to the consultation to "cmbi-support@coinmetrics.io".

All responses will be treated as confidential. If you have any questions about this consultation, please contact "cmbi-support@coinmetrics.io.

CMBI Candidate Market Guidelines Background

Constituent Markets for the CMBI Benchmarks are selected as defined in the CMBI Candidate Market Guidelines. Active exchanges are assessed for eligibility before their markets can be considered as data inputs for the CMBI Benchmarks.

Proposed Changes

Overview

Talos is proposing to replace the current letter-grade exchange eligibility criteria with a more detailed set of exchange selection criteria assessed via the Talos Exchange Scorecard (TES).

Reasons for Change

Talos updated the Talos Exchange Scorecard to place greater focus on data integrity and the authenticity of reported trading activity. As part of this update, the prior single-letter-grade cutoffs used to determine exchange eligibility would be removed and replaced with a more detailed, in-depth set of exchange selection criteria, giving a more thorough basis for determining which exchanges qualify as data sources for the CMBI Benchmarks.

Changes to Methodology — Exchange Eligibility Criteria

Below is a comparison of the current and proposed exchange eligibility criteria.

Current Criteria (Trusted Exchange Framework)

1. Grade and Regulatory Compliance scores of at least B-.

2. Data Quality score of at least B (qualifies an exchange for inclusion in Talos' "trusted volume" universe).

3. Exchanges with an API Quality score of D are ineligible for consideration.

Proposed Criteria (Talos Exchange Scorecard)

An exchange would be eligible for designation as a Trusted Exchange if it satisfies each of the following criteria:

1. Data Integrity — passes at least four of five wash-trading detection tests.

2. Market Structure and Venue Type — identified as a centralized spot venue (excludes futures-only and decentralized, permissionless venues).

3. Transparency — does not fall into the lowest Transparency band (baseline public disclosure of proof of reserves, financial information, or wallet addresses).

4. Resilience and Security — does not fall into the lowest Resilience & Security band, has not experienced a material loss-of-funds incident in the trailing 12 months, and has not paused customer withdrawals outside of routine maintenance in the trailing 12 months (absent Index Committee review).

5. Regulatory Compliance — holds a qualifying license or registration in at least one of twelve assessed jurisdictions, and achieves a composite Regulatory Compliance score of at least 70 out of 100.

6. Operational Availability — maintains an API uptime of at least 99% over the assessment window.

7. Programmatic Data Access — makes trade and order-book data available through an API with sufficient reliability, granularity, and timeliness to support Talos' index calculation processes.

Conclusion

Talos is proposing to update the CMBI Candidate Market Guidelines to replace the current letter-grade exchange eligibility criteria with a more detailed set of criteria assessed via the Talos Exchange Scorecard, with a focus on detecting wash trading and other forms of artificial volume. If adopted, this update would take effect for the October 2026 rebalance (October 1, 2026, 16:00 ET).

This proposal will be reviewed by the Talos Oversight Committee in accordance with our index governance policy.

For any questions, please contact us at cmbi-support@coinmetrics.io