

DAY 1

Token Listing Policy

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1 Objective

Day1 is committed to fostering innovation and growth in the cryptocurrency market. In line with this commitment, each virtual currency is subject to a comprehensive internal due diligence audit to ensure that all tokens listed on our platform meet the highest standards. Day1 Token Listing Policy (the "Listing Policy") intends to set up an internal framework for listing and delisting procedure and accompanying risks.

2 Listing Criteria

Day1's approach to token listings is multifaceted, encompassing both internal initiatives by our team and external submissions by token issuers or client recommendations. Our primary objective is to ensure that every virtual currency aligns with Day1's core values and mission.

Prior to listing, each virtual currency undergoes a meticulous internal audit. This audit scrutinizes various dimensions of the currency, including its technical structure, legal compliance, and the organizational background of the issuer. This comprehensive evaluation is crucial to maintaining the quality and integrity of our platform.

To uphold our standards, Day1 routinely conducts extensive audits of all existing virtual currencies on our platform. This continuous review process helps us identify suitable candidates for listing, adhering to our principle of due diligence. This involves exhaustive research and available data analysis, sometimes necessitating direct information requests from the currency issuers. Should an issuer fail to cooperate, Day1 reserves the right to exclude their currency from our platform.

Virtual currency issuers may initiate the virtual currency listing by completing the listing application request. The virtual currency issuer receives a questionnaire followed by an internal due diligence examination of the prospective listing.

The decision to approve or reject a virtual currency to be listed is made unilaterally by Day1 and the rejection may be given without providing reasons. The listing application does not construe any obligation to the expectation that Day1 will list the virtual currency. Furthermore, Day1 does not undertake any time limits for processing the application. We may also choose not to respond to the listing inquiry.

Our stringent policies and practices are designed to ensure that only the most credible and aligned virtual currencies are made available to our clients, thereby safeguarding their interests and the integrity of the Day1 exchange platform.

3 No Guarantee Disclaimer

The fact of the virtual currency is listed on the Day1 platform does not guarantee the relevance of the virtual currency, its value, short-term or mid-term growth, technical suitability of the solution, trust in the token issuer, or similar. The information on virtual currency is limited to the information we acquire mainly via an internet search, but such information may be untrue, partial, incomplete, outdated, or obsolete. The company does not assume any responsibility or provide any kind of guarantee for the listed tokens. The company expressly warns that any trading with virtual currencies is associated with high risks, and the value of virtual currencies is neither regulated nor guaranteed, on the contrary, it is subject to high volatility. The company assumes no responsibility for the purchase of tokens on its platform. Clients are required to familiarize themselves with the risks associated with using Day1's services, as disclosed in the Risk Disclaimer, and Terms of Service.

4 Virtual Currency with Withdrawal Limitations

The Company may limit withdrawals for certain virtual currencies for technical, compliance, or other reasons. Before purchasing such virtual currencies, clients will receive a special risk notice and will be required to confirm their understanding and agreement with the withdrawal limitations. The decision to implement these limitations is made solely by Day1.

5 Due Diligence Audit

The due diligence audit comprises two segments: a review of the corporate profile and an evaluation based on virtual currency assessment criteria. This audit is conducted collaboratively with experts from various domains, including legal and compliance, information security, and business development. The decision to list a virtual currency hinges on the results of this comprehensive virtual currency audit assessment.

5.1.1 Corporate Profile Review

A corporate profile due diligence review is aimed to assess the reliability of the virtual currency issuer, the organizational structure, and the team behind it.

5.1.2 Basic Corporate Profile

- Easy access and verification of information about the issuer of the virtual currency.
- The organization's location isn't on any blacklist.
- The organization has physical office space, not just a virtual one.
- Clear definition of the organization's mission and vision.
- Availability of a whitepaper, including details on project phases, plans, and related information.
- Products or services are well-defined, aligning with the whitepaper.
- Project funding and expenditure are transparently disclosed.
- Meaningful integration of the token in the product, service, or project.
- The revenue model is sustainable and viable.
- Clear and understandable competitive advantages with a focus on problem-solving.
- Compliance with legal standards, no ongoing investigations against the project or team.
- Prompt response to additional legal and compliance queries from Day1.

5.1.3 Team

- Team members are identifiable and verifiable.
- Core function of team members, especially founders, on the project.
- Demonstrated expertise, education, and experience of team members in the project's field.
- Compliance of virtual currency allocation to team members with best practices.
- Clearly defined leadership and organizational structure of the project team.
- Scalability of the team to support long-term project growth.

5.2.1 Virtual Currency Assessment Criteria

The due diligence process for virtual currencies is segmented into various criteria. This process includes analysing data from the corporate profile and team assessments to assign an overall risk rating to each virtual currency, based on our internal risk classification system. Day1 uses this rating to decide whether to list the virtual currency on the exchange. We may also implement risk mitigation measures, which are continuously monitored.

While not all criteria in our due diligence process are mandatory, they guide our listing decisions, emphasizing customer-centricity. Our aim is to ensure a user-friendly experience, providing access to virtual currencies backed by dependable projects.

5.2.2 Compliance with Day1 Values & General Social Impact

- Recognized value addition to the industry and community.
- Alignment of Day1's values with the project's mission and goals.
- Innovation and user benefits.
- Commitment to user welfare and a positive crypto environment.
- Technologically sustainable improvement solutions.
- Proven, valuable deliverables aligned with the whitepaper and business plan.
- Supportive crypto community and constructive communication.
- Long-term focus, considering market changes and risks.

5.2.3 Virtual Currency Usability

- Clearly defined, valuable, and sustainable usability of the virtual currency.
- Additional features for holders, like staking.
- Anticipated demand growth in line with the project roadmap.

5.2.4 Technology

- Innovative and unique virtual currency technology.
- Comprehensive and clear whitepaper detailing project goals and problem-solving strategies.
- Achievement of key milestones, with effective management of any delays.
- Open-source, peer-reviewed, and maintained code.
- Regular management of vulnerabilities and bugs.
- Transparent and legitimate development activities.
- Absence of major security incidents related to the code.

5.2.5 Security Prevention Measures and Tech Vulnerabilities Mitigation

- Inspection of code for vulnerabilities.
- Application of best information security practices.
- Strategies for identifying and responding to security vulnerabilities.
- Existence of a bug-bounty program.
- Well-managed information security documentation.

5.2.6 Legal & Compliance

- Non-classification of the virtual currency as a security.
- Adherence to AML procedures and reporting requirements.
- Enabled blockchain monitoring.
- No association with illegal activities.
- Compliance with licensing requirements for specific industries.
- Upholding good governance principles and ethical conduct.
- Clearly defined rights of virtual currency holders, not indicative of security.

5.2.7 Marketing & Community Support

- Active and transparent communication with supporters and clients.
- Confidence in the project's success.
- International presence and significant market capitalization.
- Positive engagement with Day1 and participation in promotional events.
- Well-managed information channels (e.g., Twitter, Blog, LinkedIn, GitHub, Telegram).

5.2.8 Virtual Currency Demand

- Strong support and positive community feedback.
- Long-term increase in demand and value, considering roadmap progress.
- Support from experienced and reputable investors in the industry.

6. Delisting Procedure

Day1 reserves the right to delist any virtual currency from the Day1 exchange platform at any time and for any reason without the obligation to state the reason for delisting.

Day1 carefully reviews the reasons for delisting and once delisting is confirmed, a delisting process is initiated.

In the following cases, Day1 will begin a delisting review process (examples are given by way of example only and not exhaustively):

- Important security breach which compromises the virtual currency itself or its usability or/and project;
- Indicated regulatory and compliance issues;
- The virtual currency is no longer supported adequately by the virtual currency issuer, including in the case of liquidity of the legal entity of the virtual currency issuer and similar;
- Using unfair business practices to manipulate the virtual currency price in the market;
- Violation of the Whitepaper without explanations; non-delivery;
- A decline in the reputation of the project and a decline in support from the community;
- Initiation of an investigation against the virtual currency issuer or its team member(s) (e.g. for breaches of the law, tax evasion, non-compliance with AML requirements, etc.);
- The project team is non-cooperative, is no longer communicating with the community, etc.;
- The developers or team members are suspected of unethical or fraudulent activity;

- Violation of a third party's intellectual property rights;
- It is established that the funds obtained were not used for the intended purpose;
- Other detected risks related to the listing.

The delisting process starts with notifications to clients via email and knowledge base announcements. It is the client's sole responsibility to regularly check updates on the virtual currency delisting. Day1 may disable virtual currency deposits during the notice period. The clients are required to withdraw the delisted virtual currency until the notice period expiry. If the client does not withdraw the delisted virtual currency until the notice period expiry, Day1 will have two options: i) deactivate the withdrawal option. Day1 will store the virtual currency for the client and a client may be charged a storage fee until the virtual currency is withdrawn, or ii) exchange delisted currency into USDT or some other stable virtual currency using the market exchange rate and debit the client's account with USDT (or other stable virtual currency).

Day1 shall detail the fee and other non-withdrawal consequences of delisted virtual currency, or the fact of exchange into stable virtual currency in the delisting notification. The delisting process and withdrawal availability are impaired due to technical reasons on the side of virtual currency. Day1 retains all rights to define the delisting process withdrawal procedure and other consequences in accordance with the then-applicable circumstances.

7. Risk Warning and No Liability

In no event shall Day1 bear any responsibility for the placement of the virtual currency on its exchange platform, nor for the delisting.

The Due Diligence Audit does not provide any guarantees on the value or suitability of virtual currencies and/or projects. The Due Diligence Audit does not impose any liability on the Day1 and all listed virtual currencies are provided without warranty of any kind, either express or implied, and, in particular, without implied warranties of merchantability and fitness for a particular purpose and specifically for any profit or earnings. We do not guarantee that the virtual currency listed on our exchange platform will meet your needs or that access will not be interrupted. Placement of the virtual currency on the Day1 exchange platform does not constitute any warranty for Day1.

Day1 shall bear no responsibility for delisting virtual currency.

To the extent permitted by Law, Day1 shall not be held liable for any damages, loss of profit, loss of revenue, loss of opportunity, loss of data, or indirect or consequential loss. Trading with virtual currencies involves a significant amount of risk. For more information about risks, please read our Terms of Service, Section Risk Warning.