

# PRINCIPLES REGARDING LISTING AND DELISTING

## 1. Introduction

This procedure details how the crypto asset listing and delisting process is conducted at Finnova Crypto Asset Trading Platform. This procedure is enacted by the decision of the Finnova Crypto Asset Trading Platform Board of Directors.

The procedure is reviewed every six months by the Listing Committee, except in extraordinary circumstances.

The procedure is prepared based on the Capital Markets Board's Communiqué on the Working Principles and Procedures of Crypto Asset Service Providers and Capital Adequacy (III-35/B.2).

## 2. Purpose and Scope

It clearly states the principles of the crypto asset listing and delisting process, decision-making processes, and notifications related to listing and delisting.

## 3. Definitions and Abbreviations

- **Finnova:** Refers to Finnova Crypto Asset Trading Platform Joint Stock Company.
- **Platform:** Refers to the crypto asset trading platform operated by Finnova Crypto Asset Trading Platform Inc.
- **Listing Committee:** The committee appointed by Finnova Crypto Asset Trading Platform Board of Directors, responsible for managing the processes required for listing and delisting.
- **Custodian Institution:** Crypto asset custody institutions licensed by the Capital Markets Board.
- **Communiqué:** Refers to the Capital Markets Board Communiqué on the Working Principles and Procedures of Crypto Asset Service Providers and Capital Adequacy (III-35/B.2).
- **Board:** Capital Markets Board

## 4. Listing Committee

The Finnova Board of Directors appoints a Listing Committee under the following conditions:

a) The listing committee consists of at least 3 members. The majority of members have at least seven years of experience in finance, law, information technology, information security, and distributed ledger technologies, and at least 1 member is a Finnova Board member.

Appointments and resignations to the listing committee memberships are notified in writing by Finnova with justification to the Capital Markets Board and the Capital Markets Licensing, Registry and Training Institution Joint Stock Company within two business days.

## 5. Criteria for Listing Evaluation

The listing committee is responsible for making decisions regarding the listing and delisting of crypto assets, and for verifying the suitability of the crypto assets to be listed according to Article 21 of the related communiqué with due diligence and care. The listing committee considers the following factors when deciding on whether a crypto asset is listable:

- a) Whether the crypto asset grants rights to the user and the nature of those rights.
- b) Transaction volume and circulating supply of the crypto asset.
- c) Whether the supply of the crypto asset is limited.
- ç) Transaction speed and costs specific to the asset.
- d) Reliability of the crypto asset and related distributed ledger systems.
- e) Traceability of crypto asset transactions.
- f) Past price movements of the crypto asset.
- g) Whether the crypto asset is prone to price manipulation or fraud and whether there are solutions or mitigating measures applicable by the platform.
- ğ) Whether the crypto asset's value is determined algorithmically.

- h) If known, whether the project owner has been involved in investigations or allegations related to fraud or capital market crimes defined by law, including but not limited to the history of the company or project owner conducting the initial sale or distribution of the crypto asset.
- i) If the crypto asset represents ownership rights of another asset or legal right, the usability of those rights.
- j) The status of the crypto asset according to domestic and foreign regulations, especially whether it has obtained approval from regulatory authorities for issuance or if regulations have been violated.
- k) The degree of ownership or control a person or group has over the crypto asset network.
- l) Potential security risks related to forks of the crypto assets.

The listing committee is also responsible for monitoring the financial strength, cybersecurity vulnerabilities, compliance with domestic and foreign legislation, or technological or infrastructural issues causing customer detriment related to listed crypto assets and the companies or project owners conducting the initial sale or distribution. They must update the listing procedure accordingly.

Additionally, Finnova notifies the Central Registry Agency of listed and delisted crypto assets according to the principles determined by the agency.

## **6. Crypto Assets Eligible for Listing**

The listing committee only approves listing crypto assets meeting the following criteria:

- a) Crypto assets that can be held at a custody institution.
- b) Not created to provide unilateral extraordinary rights to the project owner.
- c) Project owner is not listed on national or international banned lists within the scope of laundering criminal assets and terrorism financing according to Law No. 7262. The Compliance Department conducts this examination, and assets without positive compliance feedback are not listed.
- d) Not allowing transfers that hide wallet addresses.
- e) Suitable for storage in cold wallets.
- f) For tokens subject to regulations by other institutions, meeting the relevant institution's regulations and having smart contracts compatible with regulations.

The Listing Committee does not list the following crypto assets:

- a) Those initially sold or distributed by the project owner or their spouse and children under guardianship, or partnerships where these persons participate with unlimited liability or hold management positions such as chairman, member, general manager, or assistant general manager.
- b) Partnerships where a legal entity or the above-mentioned persons directly or indirectly hold 10% or more of capital or voting rights, excluding public legal entities.
- c) Those determined by the Board to act together due to employment, contractual relations, or other reasons.

## **7. Delisting**

The Listing Committee may delist crypto assets if it determines they no longer meet the procedural requirements based on an evaluation report.

Except for the cases below, Finnova notifies customers at least seven days before planned delisting via registered communication channels.

1. If a global crypto asset platform delists a crypto asset, platforms may delist without waiting seven days provided investors are notified at least one day in advance. No waiting period is applied in extraordinary global market conditions.
2. Crypto assets may be delisted immediately without seven days' notice and all related trading and transfer operations suspended if:
  - a) Finnova later determines the crypto asset does not comply with the criteria set out in the "5. Criteria for Listing Evaluation" section or upon request from public authorities or judiciary.
  - b) Reasonable suspicion arises about the reliability of the crypto asset or its distributed ledger system.

Delisted crypto assets are returned to customers either in-kind or in cash upon request.

#### **8. Report Retention**

All reports related to listing are kept for 10 years and provided to authorized authorities upon request.