

Selini Capital FZE

Virtual Assets Listing Policy

October 2024

Table of Contents

- 1. Introduction3
 - 1.1 Objective3
 - 1.2 Responsibilities3
- 2. Listing Procedures4
 - 2.1 Listing Proposal4
 - 2.2 Decision Process5
 - 2.3 Assessment Criteria6
 - 2.4 VAs not accepted7
- 3. Delisting Procedure7
- 4. Disclosure and Management of VA Standards.....8
- 5. Record Keeping9
- 6. Appendix9

1. Introduction

Selini Capital FZE (hereafter referred to as "Selini Capital" or the "Company") is a company registered in Dubai, which has applied for a Virtual Asset Service Provider License by the Virtual Assets Regulatory Authority (VARA) for operations related to Virtual Asset Exchange and Broker-Dealer Services.

This Procedure outlines Selini Capital's framework for listing and delisting virtual assets that clients may transact on the entity's platform, in compliance with VARA's rules and regulations. Selini Capital has established this Policy in line with the size, nature, and complexity of its business operations. This Procedure considers industry best practices and may be updated and amended to align with VARA's specific requirements.

1.1 Objective

This policy has several objectives, in particular ensuring that:

1. Selini Capital protects both its business and its clients by only listing legitimate virtual assets, assessing a wide range of risks and factors before approval.
2. all personnel at Selini Capital understand their responsibilities regarding the listing and delisting of virtual assets.
3. those involved in the review and decision-making process of listing or delisting a virtual asset have no conflict of interest, or if necessary, conflicts of interest are properly identified and addressed.
4. the processes and principles involved in the listing and delisting of virtual assets are clear.
5. clients are treated fairly when it comes to the listing and delisting of virtual assets.

Listings, delistings, or suspensions of virtual assets on the Selini Capital will be based on the guidelines set out in this policy. Selini capital will evaluate each prospective virtual asset to determine compliance with the principles described in this document before listing, delisting, or suspending it on the platform.

This policy applies to the Company's board members, employees, consultants, contractors, and temporary employees.

1.2 Responsibilities

The Board of Directors is responsible for:

- Establishing the Listing policy, process and controls.
- Reviewing this policy at least on an annual basis, or more frequently if the business materially changes or requires it.

- Executing this processes and controls.
- Reviewing and evaluating listing proposals of applicants.
- Determining which virtual assets should be listed or delisted on or from Selini Capital platform.

2. Listing Procedures

The process for listing a virtual asset on the Selini Capital platform begins with the submission of a Listing Proposal. The proposal must include all necessary documentation and information about the virtual asset, including its purpose, underlying technology, team background, and any associated risks.

Once the proposal is submitted, it is reviewed by the Board. The Board carefully considers various factors such as the virtual asset's compliance with regulatory standards, its potential impact on the platform, and any potential risks to clients and the business. The Board may request additional information or clarifications from the applicant if necessary.

After a thorough evaluation, the Board makes a decision on the Listing Proposal. If the proposal is approved, the next step is the technical implementation of the listing. This involves integrating the virtual asset into the Company's platform, ensuring that it meets all technical and security requirements, and making it available for trading.

Once the virtual asset is listed on the platform, it undergoes continuous monitoring. This ongoing process ensures that the asset remains in compliance with Company's standards and regulatory requirements. Any significant changes to the asset or its operations are reviewed, and necessary actions are taken to protect clients and the platform.

2.1 Listing Proposal

The first stage in listing a virtual asset is the submission of a Listing Proposal. This should include detailed information about the virtual asset, its purpose, and its underlying technology. It should also provide background information on the team behind the asset, including the founders and key staff.

Additionally, the proposal must address potential risks and compliance requirements, ensuring that the virtual asset aligns with regulatory standards. Ensuring all information is accurate and complete is crucial for the success of the proposal. Inaccurate or incomplete information can delay the listing process or result in the rejection of the proposal. Therefore, the virtual asset issuer must carefully review and verify all details before submission.

A Listing Proposal should include the following:

1. Relevant information and documents provided by the project team responsible for issuing the virtual asset, including any forms submitted by the issuer if applicable.
2. A Due Diligence Questionnaire that captures an assessment of risks involved with listing the virtual asset, including operational, technological, legal, regulatory, compliance, AML/CFT, potential conflicts of interest, and reputational risks.
3. Information on the virtual asset, including tokenomics, the whitepaper, the project strategy, and any relevant roadmaps.
4. Information on the team behind the virtual asset, including the founders, key staff, and project locations.
5. Information on technical aspects of the virtual asset, including the source code and code audits, the openness and transparency of the underlying technology, the developer community, safe storage of the virtual asset, network security, and penetration testing.
6. Any other relevant factors or information, such as the demand for the virtual asset, its liquidity across global markets, its marketing, and any adverse information related to the virtual asset.

2.2 Decision Process

Upon completion of the due diligence, the Board assesses the proposal and notify the relevant parties of the decision. Selini Capital will then inform the listing applicant about the official listing approval. Selini Capital also informs the public and its staff of the decision simultaneously. Users will be subsequently informed of the Company's decision to list the new virtual asset via email or on the website. When informing the public, Selini Capital will include confirmation that the listing of the virtual asset does not signify any form of backing or endorsement by Selini Capital, nor does it guarantee or imply that the project will be a success.

If the Board rejects the listing of the virtual asset, Selini Capital will send an official listing rejection to the email address specified by the listing applicant. All communication

regarding the listing procedure will be provided by email as indicated by the listing applicant. Selini Capital also communicates its decision to VARA, sharing all relevant information relating to the decision to reject the virtual asset in question. Selini Capital reserves the right to reject the listing applicant without providing any justification or reason for the decision.

2.3 Assessment Criteria

The Board will assess the following criteria when reviewing the potential listing of a virtual asset at a minimum:

- VA's market capitalisation, fully diluted value and liquidity, and whether such metrics have trended downwards over time;
- VA's design, features and use cases, whether or not intended by the Issuer or relevant developers;
- whether there are features which may materially affect a Company's compliance with applicable laws, Regulations, Rules or Directives, including but not limited to those relating to AML/CFT, sanctions, securities, intellectual property;
- regulatory treatment by VARA and other appropriate authorities [including those outside of the Emirate], in particular whether the issuance of the Virtual Asset has received any regulatory approvals;
- whether a Virtual Asset is prohibited by VARA or any other appropriate authorities [both inside or outside the UAE] in jurisdictions in which the VASP will provide VA Activities, or equivalent activities, in relation to such Virtual Asset;
- the security and immutability of the underlying DLT protocol;
- its future development [e.g. "roadmap"] as communicated by the Issuer and/or relevant developers;
- whether it may be susceptible to price manipulation for any reason and relevant mitigations that will be implemented by the Company;
- whether potential or actual conflicts of interest may arise should a Company provide any VA Activities in relation to the Virtual Asset and relevant mitigations;
- the background of its Issuer including, but not limited to, relevant experience in the Virtual Asset sector and whether it has been subject to any investigations or claims in relation to fraud or deceit;
- if the Virtual Asset represents rights to any other assets, the enforceability of such rights;
- sufficient assets are available to satisfy any obligation with respect to any VA Activities;
- Virtual Asset terms and conditions reflect, to the extent possible, the operation of any existing underlying physical market and avoid adverse impacts to such market [if applicable]; and

Additionally, Selini Capital will review Virtual Asset terms and conditions on a periodic basis for appropriate correlation with any physical market to ensure such terms and conditions conform to standards and practices in that physical market [if applicable].

2.4 VAs not accepted

Selini Capital shall not list virtual assets that facilitate or may facilitate the obfuscation or concealment of the identity of a customer or counterparty. Additionally, Selini Capital shall not list virtual assets designed to or substantially used to circumvent laws and regulations. Selini Capital will ensure that they only list virtual assets for which they have the necessary AML monitoring capabilities in place. Furthermore, Selini Capital will not list any asset prohibited by the regulator.

3. Delisting Procedure

Selini Capital reserves the right to delist any virtual asset from the platform based on its' internal due diligence in accordance entities requirements, providing thirty (30) days prior notification to the virtual asset issuer and users who possess such virtual assets on their platform accounts. In cases where Selini Capital, at its sole discretion, determines that delisting is necessary to prevent potential losses or in the event of a force majeure, Selini Capital is entitled to delist any virtual asset from the platform within three (3) business days. Selini Capital will inform users who have such virtual assets on their platform accounts about the delisting via email notification and website. Users are responsible for regularly checking updates on virtual asset delisting.

Selini Capital shall consider the following criteria when deciding to delist a virtual asset from the platform:

- A change to the overall economics of the virtual asset (including but not limited to maximum supply, minting or burning process, transaction fees, incentives for virtual asset holders, etc.).
- A change to the risk profile of the virtual asset.
- The emergence of new or previously unknown adverse information regarding the virtual asset or the virtual asset issuer.
- Technological difficulties that may result in the virtual asset not functioning as intended.
- The listing of the virtual asset no longer being commercially viable for Selini Capital or regulatorily permissible.

- The emergence of new or previously unknown conflicts of interest that cannot be managed.
- Any form of non-compliance with the regulatory framework.
- Lack of support or commitment from the virtual asset issuer.
- Complaints from users.
- A decrease in trade volume and market capitalization of the virtual asset.
- Violations of terms of use or the listing agreement (if any).
- Any other reasons deemed relevant by Selini Capital.

4. Disclosure and Management of VA Standards

Disclosure of VA Standards

Selini Capital discloses the VA Standards, as defined by the regulator, on its website to ensure that clients, investors, and other stakeholders have clear and accessible information regarding the standards governing its VA activities. This disclosure is maintained in a dedicated section of the website, ensuring easy access for all interested parties. The availability of the VA Standards is communicated through various channels, including newsletters, emails, and social media platforms, to ensure broad awareness.

Assessment and Monitoring

To ensure ongoing compliance, the Company regularly assesses and monitors the Virtual Assets it provides VA Activities for, verifying that they continue to meet the established VA Standards. This assessment is an ongoing process, involving the collection and analysis of relevant information to identify any potential deviations from the standards. The Compliance and Risk Management departments reviews it to ensure thorough oversight. Any identified issues are promptly addressed to maintain adherence to the standards.

Record Maintenance

The Company maintains comprehensive records of these assessments for at least eight (8) years. These records include detailed documentation of the evaluation process, findings, and any corrective actions taken. Maintaining these records ensures they are readily available for inspection by VARA upon request. The Company's record-keeping system is designed to securely store and organize these documents, facilitating easy retrieval and review.

Suspension Conditions and Procedures

The Company has established clear processes under which VA Activities may be suspended if a Virtual Asset no longer meets the VA Standards. The suspension procedures include predefined triggers, detailed action plans, and assigned responsibilities to ensure a

coordinated response. The Company regularly reviews and updates these procedures to adapt to changing circumstances and regulatory requirements.

In the event that a Virtual Asset is found to no longer meet the required standards, the Company notifies VARA as soon as possible. This notification includes a detailed report of the issue, the steps taken to address it, and any potential impacts on clients. The Company follows any directives issued by VARA to mitigate adverse impacts on clients.

5. Record Keeping

All the records related to this policy and its execution are maintained for at least a period of 8 years unless otherwise directed by a regulatory body.

6. Appendix

VA Due Diligence Questionnaire



VA Due Diligence
Questionnaire_Selini C