The following outlines the minimum set of criteria each project and its associated token must meet before it can participate in the Ethfinex Community Vote and become traded on the Ethfinex platform. Anyone can challenge a project's ability to meet these requirements. An independent jury will decide whether or not this challenge is valid and therefore if the project is eligible for listing.

Sections in italic are examples of potential situations which could arise in disputes providing guidance on how jurors should rule. Keep in mind that those are just examples and that most conditions can be fulfilled in multiple ways.

1. Compliance and Legal

- 1.1. The token is not likely to be considered an investment product under Swiss Law or jurisdiction of issuance: *(Any stipulation is sufficient to reject)*
    - 1.1.1. The token does not provide meaningful control over the issuer. *Reject if: Token holders control how the issuer spend its funds.*
    - 1.1.2. The token should not provide dividends or similar payments to token holders. *Reject if: 10% of the profit of the issuer entity is given to token holders.*
    - 1.1.3. Token holders should not share liabilities with the issuer. *Reject if: The issuer claims that token holders should repay debt of the issuer if the issuer can not.*
    - 1.1.4. The token should not carry a repayment obligation. *Reject if: The issuer promises to buy back the tokens 5 years after the initial sale at double the initial price.*
    - 1.1.5. The issuer should not plan to keep effective control of the project. *Reject if: The project currently needs a "coordinator node" controlled by the issuer to work. There is no plan of replacing this coordinator node.*
- 1.2. The token issuer is not on the FATF High Risk Jurisdiction list as per the below link: http://www.fatf-gafi.org/countries/#high-risk *Reject if: The issuer is an Iranian corporation.*
- 1.3. The token issuer has not been subject to previous successful enforcement action by a financial services regulator in any jurisdiction *Reject if: The issuer has been convicted of security fraud.*

2. Team and Governance

- 2.1. The token issuer's directors are fit and proper persons (for example they have no previous record of fraud or similar dishonesty offences) *Reject if: The CEO of the project has previously ran an exit-scam, has fake social media profiles or a lack of public presence.*

2.2. The project leadership, whether as volunteer community members or founders/issuers, are deemed to have the specialised knowledge and experience to deliver the technology roadmap. This could be evaluated for example with: *(Only one stipulation is required)*

  2.2.1. Prior track records of protocol or product development. *Accept if: The CTO of the project was a Bitcoin core developer.*

  2.2.2. A clearly articulated vision and roadmap. *Accept if: There is a whitepaper of quality describing the project and a realistic roadmap to complete it.*

  2.2.3. Backing and support from advisors or investors who are familiar with the subject matter and relevant industries. *Accept if: One of the top 5 crypto-funds is backing the project.*

2.3. There is a plan and governance structure in place for allocation of funding towards key aspects of the team's roadmap, and or for future fund-raising. *Accept if: The issuer is a cooperative entity and provided an estimate of project expense for the next 2 years.*

3. Technology and Product

3.1. There must be evidence of novel technology in development. This may be evaluated for example by demonstrating: *(Only one stipulation is required)*

  3.1.1. A working beta product. *Accept if: There is a proof of concept of the product on a testnet.*

  3.1.2. Open-source code in development. *Accept if: There is a significant amount of original code on a public Github repository.*

  3.1.3. Architecture diagrams or novel applications of cryptography and mathematics. *Accept if: The whitepaper includes 5 pages describing a novel cryptographic protocol.*

3.2. There is a demand for the token driven by an existing or future utility. This utility is obtained from obtaining, holding, participating, or spending the token. The team has identified a reason for the token to exist which is not just fundraising. *Accept if: The token is used for staking.*

4. Tradability

4.1. The token has passed a third-party review or security audit that deems it as safe, or be using a well-known audited framework (such as OpenZeppelin) without changes. *Accept if: The token has been audited by Trail of Bits.*

4.2. The token source code must be available open-source. *Accept if: The token source code is available on etherscan.io .*

4.3. If the token can be frozen or minted, it must be evident that reasonable protection and security has been implemented around the private keys which control these functions (this may be part of the third-party audit). *Accept if: Minting requires 2 out of 3 keys each controlled by a different project member.*

4.4. The token has either a minimum market cap of $1m USD at the time of according to CoinMarketCap at the time of the badge submission OR if this is not applicable a minimum fundraise of $1m. *Accept if: The token is not listed by coinmarketcap but is linked to a token sale which raised 10 000 ETH when ETH was worth 150$.*

5. Decentralisation

5.1. The total minted supply of tokens is not controlled by a single entity or group of entities under common control or will be controlled by a single entity or group of entities after the token is released. *Accept if: The total supplied is fixed.*

5.2. At least 10% of the total supply is freely circulating in the market OR will be freely circulating after the token is released. *Reject if: 100M tokens were minted but only 10M are available to the general public. The 90M remaining are owned by entities who cannot currently sell them.*

5.3. The team which issued the token should have made efforts to be transparent about details of the token supply, circulating supply, and any inflation, as well as their own ownership of issued tokens. *Reject if: The team provided a pie chart of token allocations. It displays 40% for token sale buyers, 10% for aidrops and 20% for the team. The founders allocated 30% of the tokens for themselves but did not specify it on the pie chart.*