REDEECASH EXCHANGE RULES

aka REDEECASH RULES

# Preface

As a newly registered Self-Regulatory Organization (SRO), it is crucial to establish operational rules to ensure fair and transparent operations. The following is an initial list of operational rules to consider:

The initial list of rules should serve as a foundation, and further refinement may be necessary based on the SRO's unique characteristics and regulatory environment.

Blockchain was thought as a disruptor to the traditional finance model, but as we have seen in the recent events, it’s more of a wild west approach to finance where the influencers have the controlling stake and decentralized finance or DeFi is a marketing ploy, resulting in the downfall of these mayor players.

With the changes in regulation to help business raise funds, specifically The Jobs Act, blockchain can instead be another tool to lower the cost of entry to the public markets.

While the previous players in the blockchain wish to comply with AML regulation, their approach has become unnecessarily too invasive during onboarding, to raise questions of their true motives?

Lowering the cost to enter the public markets as well as a streamline approached for AML compliance is the goal of Redeecash Exchange SRO, all in while providing liquidity to market sectors where there were no liquidity.

# Rule 1000. Membership Requirements:

## Purpose

- Establish clear criteria and qualifications for membership in the SRO.

- Define the application and review process for prospective members.

- Outline ongoing obligations and responsibilities for SRO members.

The listing process begins with completing the [application](https://github.com/pingleware/redeecash.exchange/blob/main/files/listing-application.pdf). The entity should have a public record with the SEC EDGAR and have file notice of their intended exempt offering or have either files a DRS or S-1.

# Rule 2000. Regulatory Compliance:

## Purpose

- Develop and enforce rules and regulations in alignment with applicable laws and regulations.

- Implement a compliance monitoring program to ensure members' adherence to regulatory requirements.

- Establish reporting mechanisms for member non-compliance and violations.

# Rule 3000. Market Surveillance and Enforcement:

## Purpose

- Establish market surveillance mechanisms to detect and address market manipulation, insider trading, and other illicit activities.

- Implement robust enforcement procedures to investigate and take appropriate actions against rule violators.

- Define penalties and disciplinary measures for non-compliant members.

# Rule 4000. Financial Responsibility:

## Purpose

- Establish capital adequacy requirements for member firms to ensure financial stability.

- Implement risk management and contingency planning measures to mitigate potential financial risks.

- Establish procedures for financial audits and reporting.

# Rule 5000. Investor Protection:

## Purpose

- Develop investor education initiatives to promote awareness and understanding of risks associated with trading.

- Establish mechanisms to handle investor complaints and facilitate dispute resolution.

- Implement measures to safeguard investor assets and promote fair treatment of investors.

# Rule 6000. Governance and Transparency:

## Purpose

- Establish a governance framework with clear roles and responsibilities for SRO management, board of directors, and committees.

- Develop transparent decision-making processes and communication channels with members and the public.

- Implement mechanisms for public disclosure of key SRO policies, rules, and regulatory updates.

# Rule 7000. Technology and System Integrity:

## Purpose

- Implement robust technological infrastructure and systems to support efficient and secure operations.

- Establish cybersecurity protocols and measures to safeguard sensitive data and protect against unauthorized access.

- Conduct regular system audits and testing to ensure system reliability and integrity.

# Rule 8000. Continuing Education and Professional Development:

## Purpose

- Develop educational programs and training initiatives to enhance members' knowledge of industry best practices, regulations, and ethics.

- Encourage professional development and certifications for members to promote competence and professionalism.

Blockchain and token trading are new technologies, raises the importance of proper education.

# Rule 9000. Collaboration with Regulatory Bodies:

## Purpose

- Foster collaboration and information sharing with relevant regulatory bodies and authorities.

- Establish communication channels to report potential regulatory concerns or issues promptly.

Exempt offerings are have state requirements. Upon effectiveness of the exempt offering, the appropriate states will be notified of the new listing.

Other collaboration is outlined in the [AML Policy](https://github.com/pingleware/redeecash.exchange/blob/main/files/aml-policy.pdf).

# Rule 10000. Periodic Review and Amendments:

## Purpose

- Conduct periodic reviews of operational rules to assess their effectiveness and relevance.

- Incorporate feedback from members, industry stakeholders, and regulatory authorities for rule amendments and updates.