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Bittrex Update

Last week, Bittrex announced that they had listed DNT for exchange and opened markets for trading. Within a very short period of time they received deposits of more than 40M DNT from members of our community. Only minutes later they halted trading, tweeting that the issue was 'compliance related' with no further explanation, which we were only made aware of when we started to receive a wave of questions wanting to know what compliance checkpoints we failed to pass.

Shortly after, we received a message from the Bittrex team telling us that in light of the recent SEC guidance they will need us to complete a 'compliance review'. Having spent nearly 3 years at Coinbase, I can appreciate the sensitive nature of regulators looming over the space, and let them know that we are happy to work with their team or any other exchanges to provide any information they may need from us to perform their necessary checks.

Bittrex's 'compliance review' does not simply entail a request for information though. Also included is a request for payment of a minimum of \$5000, possibly more, with no guarantee of listing after payment. We have said all along that we will not be paying to be listed on any exchanges and we are reaffirming that stance today. We outline our rationale behind our position below.

1. The district0x Project does not stand to generate any revenue from the listing of DNT on Bittrex. Just yesterday, Liqui generated more than \$10,000 worth of revenue from fees of the exchange of DNT. From a financial standpoint, it seems to be a rational move for the Bittrex team to pay the costs associated with performing the necessary due diligence to list DNT on their exchange. It is an irrational move for us to foot their bills when they stand to generate a significant amount of revenue off of our listing and will not be kicking back any of this to support the project's long term goals.
2. We just wrapped up a fundraiser in which we collected funds to build an open source software project with the goals of equitably distributing governance powers and the share of financial successes of marketplaces amongst all participants, decentralizing

markets in the process. Covering the legal costs for a centralized service that retains all profits for themselves is antithetical with our vision.

3. Bittrex is one of many exchanges. If we were to agree to pay their legal costs so that they could decide if they should list us for exchange, it would be logical for every other exchange around the world to require us to do the same. These costs would be prohibitive and it is unrealistic for us to do so.

In light of this announcement, we anticipate some frustrations from some members of our community. This is a decision we feel strongly about and will not be backing off of. That being said, we completely understand the desire to see additional exchanges list DNT and understand the need for liquidity long-term. Given such, we will be taking the following actions:

1. Partnering with the Ox Project to build an integration for the exchange of DNT with any other ERC20 token at trade.district0x.io. More details to follow in a separate blog post soon.
2. Supporting the efforts of other decentralized exchange projects such as Ethfinex, Oasis, and EtherDelta.
3. Keeping the door open for Bittrex. If they decide at any time they would like to begin their compliance review, we are happy to meet with their team and legal counsel and provide any necessary information.
4. Engaging with other popular exchanges. We have/will be reaching out to the teams at Bitfinex, Kraken, Poloniex, and Yunbi. If there are any others you would like us to contact, let us know.

We thank you for your patience and support with this matter and will be sure to share any material updates as they become available to the team. We invite all other projects to join us in taking a similar stance and are always open to collaboration and coordinating efforts to push the ball forward for the Ethereum community as a whole.