



[non-binding translation]

Rules of the Regulatory Board of the BX Swiss AG

Approved by the FINMA: 30 July 2024

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1. Purpose

- 1.1. The BX Swiss AG (hereinafter “BX”) maintains a Regulatory Board pursuant to Article 24 paragraph 1 section a. of the Financial Market Ordinance (FinMIO).
- 1.2. These rules govern the responsibilities and competences of the Regulatory Board.

2. Composition and election

- 2.1. In accordance with Article 24 paragraph 2 FinMIO, the Regulatory Board pursuant to Article 27 of the Financial Market Infrastructure Act (FinMIA) is independent of the business management and largely independent of the participants and issuers in terms of personnel and organisation.
- 2.2. The Regulatory Board consists of a minimum of three and a maximum of nine members. The Board of Directors elects the members of the Regulatory Board for a period of four years. Re-election is possible. The members can be dismissed prematurely for important reasons. The Regulatory Board elects a chairperson from among its members. Re-election is possible.

3. Responsibilities

- 3.1. The Regulatory Board performs regulatory tasks under the statutory self-regulation. The regulations issued by the Regulatory Board must be approved by the FINMA.
- 3.2. The Regulatory Board governs
 - a) the admission, obligations and exclusion of trading participants, reporting participants and traders;
 - b) the organisation of trading; and
 - c) the listing or admission to trading of securities and other financial instruments as well as the obligations for maintaining or terminating the admission.
- 3.3. The Regulatory Board issues and amends the following regulations in accordance with the FinMIA and the associated ordinances.:
 - a) the Participant Rules and related directives or guidelines;
 - b) the Trading Rules and related directives or guidelines
 - c) the Rules of the Reporting Office and related directives or guidelines
- 3.4. The regulation of issuers, listing or admission to trading is delegated to a committee (Admission Board).
- 3.5. The Regulatory Board decides on the admission, maintaining of admission and suspension of participants. For uncontested transactions and transactions relating to day-to-day business, the Regulatory Board may delegate its authority to the chairperson.
- 3.6. The Regulatory Board may delegate tasks relating to straightforward circumstances or with limited risk to the business management or the exchange's self-regulatory units, such as the decision-making authority for the admission of Reporting Members, the management of security deposits, or the registration of individual traders.

- 3.7. BX Regulation respectively the self-regulatory units of the stock exchange perform the administrative tasks of the Regulatory Board.
- 3.8. The Regulatory Body enforces compliance with the regulations it has issued and may impose the disciplinary measures specified in these regulations.
- 3.9. The Sanction Commission is responsible for imposing the sanctions specified in the regulations of the Regulatory Board; in the event of corresponding violations, it initiates proceedings and conducts the necessary investigations.

4. Admission Board

- 4.1. The Admission Board consists of a minimum of three and a maximum of seven members of the Regulatory Board. The Admission Board elects a chairperson from among its members. Re-election is possible.
- 4.2. In accordance with the FinMIA and the associated ordinances, the Admission Board issues and amends the following rules:
 - a) the Listing Rules and any associated additional regulations, directives or guidelines; and
 - b) Rules for the admission to trading and associated directives or guidelines.
- 4.3. The Admission Board decides on the listing by issuers and the admission to trading of securities and other financial instruments by trading participants on the BX Swiss and decides in all cases specified by the relevant regulations. In individual cases, it may grant exemptions from the regulations, directives or guidelines upon request. For uncontested transactions and transactions relating to day-to-day business, the Admission Board may delegate authority to the admission division.
- 4.4. For straightforward circumstances with limited risks relating to the admission to trading, maintaining admission or suspension of securities and other financial instruments not listed on the BX Swiss, the Admission Board may delegate the decision-making authority to the admission division.
- 4.5. The Admission Board monitors compliance with the Listing Rules, the Additional Rules, the Rules for admission to trading and the related directives and guidelines. It may delegate the receipt of notifications and information from the issuers to the admission division. If a violation of the rules is suspected, the Admission Board informs the Regulatory Board or the Sanction Commission.

5. Resolution

- 5.1. The decisions of the Regulatory Board and its committees are taken by a simple majority of the members present. In the event of a tied vote (in particular if a member recused themselves), the chairperson has the casting vote. The chairperson must designate a deputy beforehand should the chairperson also recuse themselves.
- 5.2. Decisions may also be taken by means of a circular procedure, i.e. in writing, by email or another suitable electronic means of communication (provided that the sender can be identified as the relevant member).

5.3. In the case of circular resolutions, resolutions are passed by an absolute majority of the votes. Each member is entitled to request an oral discussion within three trading days of receiving the proposed resolution, but no longer than until the resolution has been passed by an absolute majority.

6. Means of legal redress

6.1. Decisions of the Regulatory Board and the Admission Board may be contested within thirty days of notification of the decision by means of an appeal to the independent Appeal Board of BX.

7. Final provisions

7.1. These rules of the Regulatory Board were adopted by the Board of Directors, approved by FINMA on 30 July 2024, and enter into force on 1 November 2024.

7.2. The current version of the regulations completely replaces the amended version dated 1 August 2020.