

Rules of the Regulatory Board

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1. Purpose

- 1.1. Seturion AG (SeturionX) maintains a Regulatory Board in accordance with Art. 24 para. 1 lit. a FMIO.
- 1.2. These rules govern the responsibilities and competences of the Regulatory Board.

2. Composition and election

- 2.1. In accordance with Art. 24 para. 2 FMIO, the Regulatory Board pursuant to Art. 27 FMIA is independent of the Executive Board and of the majority of 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 members are elected by the Board of Directors for a period of four years. Re-election is possible. They may be dismissed prematurely for important reasons. The Regulatory Board elects a chairperson from among its members. Re-election is possible.

3. Operational supervision and reporting

- 3.1. The Regulatory Board is organisationally subordinate to the regulation department, but it operates independently within its scope.
- 3.2. The Regulatory Board reports to the Board of Directors.

4. Responsibilities

- 4.1. The Regulatory Board shall fulfil its regulatory tasks within the framework of statutory self-regulation. The rules issued by the Regulatory Board must be approved by FINMA.
- 4.2. The Regulatory Board shall regulate:
 - a) the admission, obligations, and exclusion of Trading Participants, Reporting Participants and traders;
 - b) the organisation of trading; and
 - c) the admission to trading of DLT securities as well as the obligations for maintaining or cancelling such admission.
- 4.3. The Regulatory Board issues and amends the following regulations in accordance with the FMIA and the associated ordinances:
 - a) the Participant Rules and related directives or guidelines;
 - b) the Trading Rules and related directives or guidelines; and
 - c) the Reporting Office Rules and associated directives or guidelines.
- 4.4. The regulation of issuers and admission to trading is delegated to a committee (**Admission Board**).

- 4.5. The Regulatory Board decides on the admission, maintenance, and suspension of participants. For uncontested transactions and day-to-day business, the Regulatory Board may delegate this authority to the chairperson.
- 4.6. The Regulatory Board may delegate tasks with simple facts or limited risk, such as the decision-making authority for the admission of Reporting Members, the administration of deposits or the registration of individual traders, to the Executive Board or the self-regulatory units of the DLT trading facility.
- 4.7. The regulatory department or the self-regulatory units of the DLT trading facility carry out the administrative work of the Regulatory Board.
- 4.8. The sanction bodies are responsible for imposing the sanctions provided for in the regulations of the Regulatory Board; the Directive on the Procedure of the Investigation and Sanction Bodies governs the procedure in the event of violations of SeturionX regulations and directives.

5. Admission Board

- 5.1. The Admission Board consists of at least 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.
- 5.2. Issuers and investors are appropriately represented on the Admission Board.
- 5.3. The Admission Board issues and amends the following regulations in accordance with FMIA and the associated ordinances: regulations for admission to trading and associated directives or guidelines.
- 5.4. The Admission Board decides on the initial admission of DLT securities to trading on SeturionX and in all cases specified by the relevant regulations. It may grant exceptions to the rules, directives, or guidelines in individual cases upon request. For uncontested transactions and day-to-day business, the Admission Board may delegate its authority to the admission department.
- 5.5. The Admission Board may delegate decision-making authority to the admission department for simple matters involving limited risks in the admission to trading, maintenance, or suspension of DLT securities that are not initially admitted to trading on SeturionX.

6. Adoption of resolutions

- 6.1. Resolutions of the Regulatory Board and its committees shall be passed by a simple majority of the members present. In the event of a tie (in particular if a member recuses himself), the chairperson shall have the casting vote. If the chairperson is also recused, the chairperson shall appoint a deputy in advance.
- 6.2. Resolutions can also be passed by circular resolution, i.e. in writing, by e-mail or another suitable electronic means of communication (provided the sender can be identified as the relevant member). The adoption of resolutions in the case of circular resolutions requires the absolute majority of all votes. Each member is entitled to request an oral discussion within 3 trading days of receipt of the proposed resolution, but no longer than until the resolution has been passed by an absolute majority.

7. Outsourcing

- 7.1. The activities of the Regulatory Board pursuant to Art. 27 FMIA and the corresponding implementation of these rules may be outsourced in whole or in part to a suitable third party by the Board of Directors, taking into account the legal requirements.
- 7.2. The members of the Regulatory Board must also be elected by the Board of Directors in accordance with clause 2.2 in the event that the activities of the Regulatory Board are outsourced to a third party.

8. Means of legal redress

Decisions of the Regulatory Board and the Admission Board may be appealed to the independent Appeal Body of SeturionX within thirty days of notification of the decision.

9. Final provisions

These rules were adopted by the Board of Directors, approved by FINMA on 12 March 2025 and enter into force on 13 March 2025.