



[non-binding translation]

Rules of the Appeal Body of BX Swiss AG

Approved by FINMA: 13 December 2019

Date of entry into force: 1 January 2020

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1. Purpose

- 1.1. BX maintains an appeal body pursuant to Article 37 of the Financial Market Infrastructure Act (FMIA) and Article 24 para. 1 section d) of the Financial Market Infrastructure Ordinance (FMIO). These rules govern the organisation and proceedings of the appeal body.

2. Composition and election

- 2.1. The appeal body consists of two members.
- 2.2. Subject to the approval of FINMA, the board of directors elects the two members of the appeal body for a period of four years. Re-election is possible. Subject to the approval of FINMA, additional substitutes are appointed by the members. The appeal body is independent of the board of directors, both in terms of personnel and organisation.

3. Responsibilities

- 3.1. The appeal body assesses appeals against decisions of:
 - a) the regulatory body on the admission, refusal of admission, suspension or exclusion of participants;
 - b) the admission office regarding admission, refusal of admission, suspension or delisting of securities;
 - c) the sanction commission.
- 3.2. The appeal body is not bound by any instructions from BX.

4. Recusal

- 4.1. The reasons for recusal and exclusion of the Federal Act on the Organisation of the Administration of Federal Justice (German: Bundesgesetz über die Organisation der Bundesrechtspflege) of 16 December 1943 in the respective current version apply to members of the appeal body.

5. Rules of procedure

- 5.1. The rules of procedure of the Federal Act on Administrative Procedure apply mutatis mutandis, provided that they do not conflict with any provisions of the present rules.

6. Proceedings

- 6.1. Appeal:
 - a) Appeals against decisions pursuant to clause 3.1 must be submitted in writing to the appeal body within 30 days after the notification of the decision.
 - b) The proceedings are conducted in German.
 - c) An appeal may contest a violation of the Participant Rules and the Listing Rules and the rules of BX based thereon, as well as an incorrect or incomplete establishment of the facts.

- d) The appeal body may give the appeal suspensive effect. The appeal may be combined with the requirement of providing a security deposit.
- 6.2. The addressees of a decision are entitled to appeal, provided they have a legitimate interest in the annulment or amendment of the decision.
- 6.3. The appeal must be submitted in triplicate to the appeal body. It must contain the complainant's requests, the grounds for the requests stating the evidence, and the signature of the complainant or of the complainant's representative.
- 6.4. The appeal body decides whether the complainant is required to pay an advance on costs. If such an advance on costs is not paid within the period set, the appeal will not be processed.
- 6.5. Should the appeal prove to be neither manifestly inadmissible nor unfounded, the appeal body gives the lower instance the opportunity to submit a written statement, or directly summons it to the oral proceedings. The lower instance is required to provide the files necessary for the assessment to the appeal body. In exceptional cases, a second exchange of correspondence may be ordered.
- 6.6. The deliberations of the appeal body are secret. The appeal body decides unanimously.
- 6.7. Content of the decision:
 - a) If the appeal body considers the appeal in whole or in part to be well-founded, it sets aside the appealed decision and, where appropriate, refers the matter back to the lower instance for reassessment.
 - b) If it is in the general interest, the appeal publishes the decision in whole or in part.
- 6.8. If the appeal is approved, BX bears the costs of the appeal proceedings; if the appeal is rejected, the costs are charged to the complainant. If the appeal is partially approved, the costs are divided pro rata. The appeal body may grant a compensation of the party's expenses to the prevailing party.
- 6.9. The complainant may appeal against a negative decision at the civil court competent for the jurisdiction of Berne within 30 days of its announcement.

7. Final provisions

- 7.1. These rules were adopted by the board of directors, approved by FINMA on 13 December 2019 and enter into force on 1 January 2020.
- 7.2. By resolution of the board of directors on 12 August 2019, these rules were amended in clause 1., 2.1., 2.2., 3.1., 3.2., 6.1., 6.5., and 6.7.
- 7.3. With these amendments, the board of directors, the regulatory body, and the admission office also decided on amendments to the following rules of BX:
 - 7.3.1. Rules of the Regulatory Body

Clause 3.8.

The regulatory body enforces compliance with the rules issued by the regulatory body and may order the disciplinary measures specified in these rules.

Clause 3.9.

3.9. The sanction commission is responsible for imposing the sanctions specified in the rules of the regulatory body; in the event of corresponding violations, it initiates proceedings and conducts the necessary investigations.

Clause 4.5. final sentence

4.5. If a violation of the rules is suspected, the admission office informs the regulatory body or the sanction commission.

Clause 6. Means of legal redress (new)

New clause 6.1.:

6.1. Decisions of the regulatory body and the admission office may be appealed against by submitting an appeal to the independent appeal body of BX within thirty days after the notification of the decision.

Clause 7. Final provisions (previously clause 6.)

Insert "Clause 7.1."

Addition of clause 7.2.:

7.2. By amendments of the Rules of Appeal as of 12 August 2019, clause 3.9. and clause 6. of the rules were added, and clause 3.8 and 4.5. were amended. The additions and amendments were approved by FINMA on 13 December 2019 and enter into force on 1 January 2020.

7.3.2. Rules of the Sanction Commission

Amendment of clause 3.1.

3.1. In the event of suspected violations of rules subject to sanctions, the sanction commission (SACO) initiates proceedings, conducts the necessary investigations and, if necessary, imposes the stipulated sanctions.

Amendment of clause 5.1.

5.1. In a preliminary clarification, the SACO evaluates whether there is sufficient evidence to carry out an investigation. If there is sufficient evidence of violations of rules subject to sanctions, an investigation is opened.

New clause 7. Means of legal redress

7.1. Decisions of the sanction commission may be appealed at the appeal body within 30 days after the notification of the decision.

Clause 8. Final provisions (previously clause 7.)

Addition of clause 8.2.:

8.2. By amendments of the Rules of Appeal as of 12 August 2019, a new clause 7. was added to the rules, and clause 3.1 and 5.1. were amended. The addition and amendments were approved by FINMA on 13 December 2019 and enter into force on 1 January 2020.

7.3.3. Listing Rules

Clause 22. Suspension

Clause 22.1. (deletion of the last part of the sentence):

22.1. The admission office has the right to temporarily suspend the listing of securities upon the request of the issuer, if extraordinary circumstances indicate that a suspension is advisable.

Clause 23. Cancellation (delisting):

Clause 23.1. Deletion without replacement of provision d).

26.1. Anyone disagreeing with a decision of the admission office regarding the listing, termination, suspension and cancellation of the listing may appeal at the appeal body of BX Swiss AG within thirty days after the notification of the decision.

Clause 28. Entry into force:

Addition of clause 28.2.:

28.2. By amendments of the Rules of Appeal as of 12 August 2019, clause 22.1., 23.1. and 26.1. of the rules were amended. The amendments were approved by FINMA on 13 December 2019 and enter into force on 1 January 2020.

7.3.4. Additional Rules for the Listing of Derivatives

Clause 14. Suspension of trading and delisting

Deletion of the last part of the sentence in clause 14.1.:

14.1. The admission office has the right to temporarily suspend the listing of derivatives upon the request of the issuer, or if extraordinary circumstances indicate that a suspension is advisable.

New clause 14.6.:

14.6. Decisions of the admission office regarding a suspension or delisting may be appealed at the appeal body within 30 days after the notification of the decision.

Clause 15. Sanctions

Rewording and replacement of "admission office" by "sanction commission" in 15.1. and 15.2.:

15.1. If the issuer fails to comply with its obligations under these rules, the sanction commission of BX may order sanctions appropriate to the circumstances. While taking into account the culpability and the severity of the violation, the following sanctions may be imposed: reprimand, fines up to CHF 500,000, suspension of trading or cancellation of the listing and publication of one of the mentioned sanctions. These sanctions may be imposed cumulatively.

15.2. Sanction decisions of the sanction commission may be appealed at the appeal body within 30 days after the notification of the decision. The appeal has no suspensive effect.

New clause 16. Appeal:

16. Appeal against decisions of the admission office

16.1. Anyone disagreeing with a decision of the admission office regarding the listing, suspension and cancellation of the listing may appeal at the appeal body of BX within 30 days after the notification of the decision.

Clause 18. Final provisions:

Addition of clause 18.2.:

18.2. By amendments of the Rules of Appeal as of 12 August 2019, clause 14.1., 15.1. and 15.2. of the rules were amended, and new clauses 14.6. and 16. were added. The amendments were approved by FINMA on 13 December 2019 enter into force on 1 January 2020.

7.3.5. BX Listed Funds Rules

Clause 12. Sanctions

Rewording and replacement of "admission office" by "sanction commission" in 12.1. and 12.2.:

12.1. If the issuer fails to comply with its obligations under these rules, the sanction commission of BX may order sanctions appropriate to the circumstances. While taking into account the culpability and the severity of the violation, the following sanctions may be imposed: reprimand, fines up to CHF 500,000, suspension of trading or cancellation of the listing and publication of one of the mentioned sanctions. These sanctions may be imposed cumulatively.

12.2. Sanction decisions of the sanction commission may be appealed against at the appeal body within 30 days after the notification of the decision. The appeal has no suspensive effect.

Clause 13. Appeal

Adaption of title and addition in clause 13.1.:

13. Appeals against decisions of the admission office

13.1. Anyone disagreeing with a decision of the admission office with regard to the listing, suspension and cancellation of the listing may appeal at the appeal body of BX within 30 days after the notification of the decision.

Clause. 15., Final provisions

Addition of clause 15.2.:

15.2. By amendments of the Rules of Appeal as of 12 August 2019, clause 12.1., 12.2. and 13.1. of the rules were amended. The amendments were approved by FINMA on 13 December 2019 and enter into force on 1 January 2020.

7.3.6. Additional Rules for the Listing of Exchange Traded Products

New clause 16. Appeal (with adjustment of the subsequent clauses' numbering):

Title and new clause 16.1.:

16. Appeals against decisions of the admission office

16.1. Anyone disagreeing with a decision of the admission office with regard to the listing, suspension and cancellation of the listing may appeal at the appeal body of BX within 30 days after the notification of the decision.

Clause. 19. Final provisions:

Addition of clause 19.2.:

19.2. By amendments of the Rules of Appeal as of 12 August 2019, clause 16. of the rules was added. The addition was approved by FINMA on 13 December 2019 and enters into force on 1 January 2020.

7.3.7. Sponsored Funds Rules

Clause 5. Suspension and cancellation of admission

New clause 5.3.:

5.3. Decisions of the admission office may be appealed at the appeal body within 30 days after the notification of the decision. The appeal has no suspensive effect.

Clause 7. Sanctions

Replacement of "admission office" and rewording in clause 7.1.:

7.1. The sanction commission may impose sanctions appropriate to the circumstances if the adopted provisions of these rules are violated. While taking into account the culpability of the DDMM and the severity of the violation, the following sanctions may be imposed: reprimand, fine in case of negligence of up to CHF 50,000, fine in case of wrongful intent of up to CHF 500,000, suspension, cancellation of the admission and publication of the decision. The stated sanctions may be imposed cumulatively.

New clause 7.2.

7.2. Sanction decisions of the sanction commission may be appealed at the appeal body within 30 days after the notification of the decision. The appeal has no suspensive effect.

Clause 8. Final provisions and entry into force

Addition of clause 8.2.:

8.2. By amendments of the Rules of Appeal as of 12 August 2019, clause 7.1. of the rules was amended, and new clauses 5.3. and 7.2. were added. The amendments were approved by FINMA on 13 December 2019 and enter into force on 1 January 2020.

7.3.8. Sponsored Shares Rules

Clause 6. Suspension and cancellation of admission

New clause 6.4.:

6.4. Decisions of the admission office may be appealed at the appeal body within 30 days after the notification of the decision. The appeal has no suspensive effect.

Clause 8. Sanctions

Replacement of “admission office” and rewording in clause 8.1.:

8.1. The sanction commission of BX may order sanctions appropriate to the circumstances if the adopted provisions of these rules are violated. While taking into account the culpability of the DDM and the severity of the violation, the following sanctions may be imposed: reprimand, fine in case of negligence of up to CHF 50,000, fine in case of wrongful intent of up to CHF 500,000, suspension, cancellation of the admission and publication of the decision. The stated sanctions may be imposed cumulatively.

New clause 8.2.

8.2. Sanction decisions of the sanction commission may be appealed at the appeal body within 30 days after the notification of the decision. The appeal has no suspensive effect.

Clause. 9. Final provisions and entry into force

Addition of clause 9.2.:

9.2. By amendments of the Rules of Appeal as of 12 August 2019, clause 8.1. of the rules was amended, and new clauses 6.4. and 8.2. were added. The amendments were approved by FINMA on 13 December 2019 and enter into force on 1 January 2020.

7.3.9. Participant Rules

Amendment in clause 10.1.:

10.1. Following a notification, the regulatory body may suspend a Trading Participant of all trading or of the trading of individual instruments or segments for the following reasons:

Insertion of a new clause 13. Responsibility (with adjustment of the subsequent clauses' numbering):

13.1. The regulatory body decides on the admission or non-admission of participants, on fees, and on suspensions as administrative measures.

13.2. The sanction commission is responsible for ordering sanctions against participants.

Clause 16. Appeal (adjustment of title)

16.1. Insertion of “regulatory body”, deletion of “sanction commission”, and deletion of “termination”:

16.1. The participant may appeal the following decisions of the regulatory body at the independent appeal body:

16.1. d) exclusion

Insertion of a new clause 17. Sanctions (with adjustment of the subsequent clause's numbering to 18.):

17. Sanctions

17.1. Should the participant violate the participant's obligations under these rules, the regulatory body reports such a violation to the sanction commission as it deems appropriate and does not order disciplinary measures itself.

17.2. The sanction commission is authorised to impose sanctions if the participant violates the participant's obligations under these rules. While taking into account the culpability and the severity of the violation, the following sanctions may be imposed: reprimand, fine up to CHF 50,000, suspension of the participation, exclusion, and publication of one of the mentioned sanctions. The stated sanctions may be imposed cumulatively.

17.3. Sanction decisions of the sanction commission may be appealed at the appeal body within 30 days after the notification of the decision. The appeal has no suspensive effect.

Clause 18. Final provisions

Addition of clause 18.2.:

18.2. By amendments of the Rules of Appeal as of 12 August 2019, clause 10.1. and 16.1. of the rules were amended, and new clauses 13. and 17. were added. The amendments were approved by FINMA on 13 December 2019 and enter into force on 1 January 2020.

7.3.10. Trading Rules

Clause 20. Disciplinary measures

20.1. In the event of non-compliance with these rules, BX takes the disciplinary measures necessary to restore the situation to a state conforming to the rules.

20.2. Responsibility for the decree of disciplinary measures lies with the regulatory body.

20.3. The regulatory body may disclose the disciplinary measures to the participants and to the public imposed on participants and the underlying.

(Transfer of the former clauses 20.2 to 20.6 into the new clause 21.)

Clause 21. Sanctions (new)

21.1. BX may impose sanctions on the participants for the following actions or omissions:

- a) violation of laws which are relevant to stock exchanges;
- b) violation of rules or directives of BX;
- c) breach of contractual agreements with BX;
- d) unfair trading practices on BX;
- e) failure to comply with measures of BX;
- f) attempted or committed violation of the security measures of the BX exchange system;
- g) attempted or committed manipulation or modification of the hardware and/or software of the BX exchange system or interfaces;

- h) improper use or passing on of the software of BX or the data received from the BX exchange system;
- i) obstructing internal or external auditors in the performance of their activities;
- j) failure to comply with the sanction proceedings and non-compliance with a sanction decision;
- k) other actions or omissions, which, in the opinion of BX, affect the integrity of the exchange.

21.2. BX may impose the following sanctions on participants:

- a) warning;
- b) fines up to CHF 1,000,000;
- c) suspension or exclusion from trading.

21.3 BX may impose the following sanctions on a trader:

- a) reprimand;
- b) suspension;
- c) withdrawal of registration.

21.4. While imposing sanctions, BX takes into account the severity of the violation and culpability as well as previous sanctions against the participant or trader.

21.5. Responsibility for imposing sanctions lies with the sanction commission of BX.

21.6. The sanction commission may disclose the sanctions imposed on participants to participants and the public.

Clause 22. Appeal (new)

22.1. Decisions of the regulatory body regarding disciplinary actions in accordance with clause 20. and sanctions of the sanction commission in accordance with clause 21. may be appealed against by submitting an appeal to the independent appeal body of BX within thirty days after the notification of the decision.

(Clause 21. Fees and clause 22. Entry into Force become the new clauses 23. and 24. respectively.)

New clause 24. Entry into force:

Addition of clause 24.2.:

24.2. By amendments of the Rules of Appeal as of 12 August 2019, clause 20. and 21. of the rules were amended, a new clause 22. was added, and the numbering was adjusted from clause 21. onwards. The amendments were approved by FINMA on 13 December 2019 enter into force on 1 January 2020.



The amendments of the Rules of Appeal as well as the amendments to other rules in accordance with clause 7.3.1. to clause 7.3.10. were approved by FINMA on 13 December 2019 enter into force on 1 January 2020.