



[non-binding translation]

Rules of the Trading Surveillance Office of BX Swiss AG

Approved by the FINMA: 14 November 2017

Date of entry into force: 27 November 2017

List of contents

1.	PURPOSE	3
2.	ORGANISATION.....	3
3.	RESPONSIBILITIES	3
4.	COMPETENCES OF THE HEAD OF THE TSO	4
5.	FINAL PROVISIONS	4

1. Purpose

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

2. Organisation

- 2.1. Pursuant to Article 24 paragraph 2 of the FMIO, the TSO is independent from the business management in terms of personnel and organisation.
- 2.2. Subject to the approval of the Swiss Financial Market Supervisory Authority (FINMA), the board of directors appoints the head of the TSO and a deputy head. The substitution may be outsourced.
- 2.3. The TSO performs its tasks in close cooperation with the market control, the reporting office and the audit function of the BX.
- 2.4. The TSO has access to all data relevant to its task, in particular trading data, trade reports and transaction reports, and to electronic surveillance tools of the stock exchange, in particular trading surveillance and reporting tools.
- 2.5. The market control reports to the TSO about:
 - a) extraordinary market situations and emergencies;
 - b) price-relevant notices from listed companies; and
 - c) unusual volumes and price developments.

3. Responsibilities

- 3.1. The TSO monitors and investigates:
 - a) the price formation and the trades made on the trading platform, as well as the trade and transaction reports which were reported or otherwise brought to the attention of the TSO in such a way, that the utilisation of insider information, price and market manipulation as well as other violations of the laws and rules can be detected;
 - b) information on suspected insider trading, price manipulations, other legal violations and irregularities it received from other bodies of the stock exchange or from third parties.
- 3.2. The TSO notifies the sanction commission and the FINMA upon suspicion of legal violations or other irregularities. If the legal violation relates to criminal offences, it immediately informs also the competent law enforcement authorities.
- 3.3. The TSO exchanges information with the FINMA, the competent law enforcement authorities, the Swiss Takeover Board (TOB) and other trading surveillance offices with which the TSO has agreed on the mutual exchange of information pursuant to Article 32 of the FMIA which is necessary for the cooperation and to perform their respective responsibilities, on condition that they use the information received exclusively to perform their respective responsibilities.

3.4. The TSO is the contact point for participants, issuers and third parties for complaints against the market control, participants or their traders. The head of the TSO carries out the investigations necessary for the handling of complaints.

3.5. The TSO summarises the results of its investigations and other important findings once a month in a report to the FINMA.

4. Competences of the head of the TSO

4.1. The head of the TSO is authorised to request the information that is necessary to perform the responsibilities of the TSO from the market control, the participants, the issuers and the audit function.

4.2. In individual cases, the head of the TSO proposes measures to eliminate the irregularities that caused the legitimate complaints. Should a participant or the market control refuse to cooperate or to implement the measures, the head of the TSO presents the matter to the regulatory body for a decision.

4.3. If legal violations or other irregularities are suspected, the head of the TSO refers the matter to the sanction commission and informs the board of directors, the regulatory body, the FINMA and the audit function about the investigations.

4.4. The head of the TSO can delegate tasks for the data evaluation to the market control.

4.5. In exceptional cases, the head of the TSO can rule on mistrades or assist the market control.

5. Final provisions

5.1. These rules were adopted by the board of directors, approved by the FINMA on 14 November 2017, and enter into force on 27 November 2017.