[non-binding translation]

Rules of the Reporting Office of BX Swiss AG

Approved by FINMA: 20 November 2023

Date of entry into force: 22 November 2023

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BX Swiss

1. Purpose, legal bases and terms

1.1. BX Swiss AG (**BX**) maintains a reporting office to receive and process reports pursuant to Art. 5 of the FMIO-FINMA (FINMA Financial Market Infrastructure Ordinance, German: FinfraV-FINMA).

1.2. These rules govern the fulfilment of the statutory reporting obligations for securities transactions to the reporting office of BX.

1.3. The reporting obligations for participants admitted to a trading venue are governed in Art. 39 of the FMIA and in Art. 37 of the FMIO, for securities firms not admitted on a trading platform in Art. 51 of the FinIA; and Art. 75 of the FinIO, and for all participants subject to the reporting obligations (hereinafter referred to as **participants**) in Art. 2 to Art. 5 of the FMIO-FINMAand in the FINMA Circular 2018/2 «Duty to report securities transactions» (**FINMA Circular 2018/2**).

1.4. BX is the reporting office pursuant to Art. 5 para. 4 of the FMIO-FINMA for trades of securities which are admitted to trading on BX and derivatives derived thereof.

1.5. The reporting office may recognise foreign reporting offices for reports from foreign participants.[1]

2. Registration

2.1. Participants must register at the reporting office as '**Reporting Participants**'.

2.2. The reporting office allocates a registration number to the Reporting Participant.

2.3. To make the report, third parties may be called in, which report in the name and on behalf of the Reporting Participant. The report is made by using the registration number of the Reporting Participant.

2.4. The Reporting Participant fulfils its reporting obligation by using the reporting system provided by the reporting office.

3. Reportable trades

3.1. Participants report to the reporting office of BX all trades of securities executed in Switzerland which are admitted to trading on BX and all derivatives derived thereof, if the weighting of the reportable underlying exceeds 25%. If changes to the composition of the underlyings during the term of the derivative are precluded by discretionary decisions (passive management), it can be considered for all trades whether the threshold value at the time of the creation of the derivative has been exceeded (FINMA Circular 2018/2 Margin no. 16). Participants are also entitled to report trades of derivatives which are not subject to a reporting obligation.

3.2. If no exemptions pursuant to Art. 37 para. 4 of the FMIO, Art. 75 para. 4 of the FinIO and the FINMA Circular 2018/2 Margin no. 21 ff. apply, transactions effected abroad of securities admitted to trading on BX must be reported to the reporting office of BX.

[1] A list of the recognised foreign reporting offices is published on the BX website.

3.3. The right to choose the trading venue to fulfil the reporting obligation pursuant to Art. 5 para. 2 and 3 of the FMIO-FINMA remains unaffected.

3.4. Participants admitted to BX do not report trades in securities admitted exclusively to another Swiss trading venue but not to BX to the reporting office of BX (Art. 37 para. 1 FMIO). A possible obligation to report such trades to the reporting office of another trading venue on account of a capacity as a securities firm pursuant to Art. 41 of the Financial Institutions Act (FinIA) in conjunction with Art.51 of the FinIA and Art. 75 of the Financial Institutions Ordinance (FinIO) remains reserved.

3.5. The reporting obligation encompasses

a) every individual trade in the transaction chain (see FINMA Circular 2018/2 Margin no. 7);

b) domestic and foreign order transmissions;

c) internal execution of client orders;

d) internal allocation of aggregated orders;

e) every individual partial execution[2];

f) proprietary and client transactions.

3.6. The following transactions must be reported separately to the reporting office:

a) Trade reports: trades outside of a trading platform (**Off-exchange Trades**) or outside of the order book (**Off-order-book Trades**). Trade reports are intended to promote market transparency, fair pricing and liquidity by informing the market in a timely manner, which is why short reporting deadlines and timely publication are aimed for.

b) Transaction reports: executions on a trading platform (on-exchange or off-order-book) as well as executions outside of a trading platform (off-exchange) which lead to reportable trades as described in these rules (clauses 3.1 & 3.2), whereby these executions must be reported by every participant in the transaction chain. Transaction reports are intended for the traceability of the transaction chain (**Order Transmissions**[3]) and are carried out for the purpose of trade and market surveillance.

[2] The obligation to report is not attached to the order but to the completion of the order (Art. 37 para. 1(b) of the FMIO). Thus, partial executions of an order cannot be combined, which is why a report at the average price is not possible. The exemption is the client allocation of aggregated orders, for which the allocation to one single report in consolidated form at the average price is possible even with several partial executions.
[3] Simple routing is not regarded as an order transmission.

4. Exemptions from the obligation to report

4.1. As further clarification of the exemptions from the reporting obligation according to Art. VI of the FINMA Circular 2018/2, the following applies: "Remote Participants are exempt from the obligation to report (clarification of the first sentence under Margin no. 25 of the FINMA Circular 2018/2):

a) for trades outside of Switzerland between two Remote Participants of a Swiss trading platform of foreign securities or derivatives derived thereof

- outside of a trading platform; or
- on a trading platform not recognised by FINMA; or
- on an organised trading system (organised trading facility /systematic internaliser);

b) for trades outside of Switzerland between a Remote Participant of a Swiss trading platform and a Swiss counterparty of foreign securities or derivatives derived thereof

- on a trading platform not recognised by FINMA; or
- on an organised trading system (organised trading facility /systematic internaliser)." Unlike the Remote Participant, the Swiss counterparty remains subject to the reporting obligation in this constellation»

4.2. The exemption pursuant to Art. 37 para. 4 (b) of the FMIO or Art. 75 para. 4 (b) of the FinIO in conjunction with Margin no. 24 of the FINMA Circular 2018/2 also applies to the upstream order transmission(s), provided that the (main) trade is then executed on a recognised foreign trading platform or a recognised foreign organised trading system.

4.3. Exempted from the reporting duty are trades in securities admitted to trading on BX Swiss in the «Sponsored Bonds» trading segment, if they were issued by foreign issuers and are not denominated in Swiss Francs (**International Bonds**). However, trades in the «Sponsored Bonds» trading segment are subject to the reporting obligation, if the bond was issued by a foreign branch of a company domiciled in Switzerland or by a foreign subsidiary or a sister company controlled by this company (**International Bonds with Swiss reference**).

5. Content of the report

5.1. The content of the report is defined in Art. 3 of the FMIO-FINMA as follows:

a) designation of the participant subject to the reporting obligation (registration number)

b) designation of the type of business (purchase or sale)

c) exact designation of the security or derivative in question (e.g. ISIN); and additionally in the case of derivatives: the name of the underlyings and further determining characteristics of the derivative, namely the classification of the derivative

d) scope of execution (nominal for bonds, number of units for other securities and derivatives)

e) price of the securities or derivatives in question (currency and price without commissions or fees); and additionally in the case of derivatives, the further value-

determining parameters, depending on the classification of the derivative, namely whether it is a call or put option, the strike price, the price multiplier and the term of the contract or the expiry date

f) time of execution (trade date and trade time)

g) information whether it is a client transaction or proprietary transaction (in the participant's own name and for the participant's own account) (agent / principal)

h) designation of the counterparty (for trades: BX registration number, other securities dealer or client; for order transmissions: contractor)

i) designation of the trading platform (MIC code of trading platform, if known) on which the security or derivative was traded, or information that the trade was executed outside of a trading platform. For partial executions on several trading platforms, all of them must be reported.

j) for client transactions, a standardised reference from the beneficial owner (for order transmissions, only the first participant).

5.2. Additionally, the following details must be reported:

l) transaction identification code (trade ID), if multiple trade IDs exist for partial executions, all of them must be reported.

m) other contents defined by BX in technical instructions.

5.3. Reports are indicated in Swiss Franc (CHF), regardless of the transaction currency. For the conversion to CHF, a recognised reference price or the price on a liquid foreign exchange platform at the time of the trade must be applied.

5.4. Reports may be submitted in the format and with the content of EU RTS 22[4].

5.5. If the value date deviates from the usual processing cycle (T+2), it must be reported separately.

5.6. The beneficial owner must be reported pursuant to the specifications under Art. VII of the FINMA Circular 2018/2, for which BX accepts reports in the format pursuant to Margin no. 28, or in the format of the aforementioned EU RTS 22, in which case the decision-maker must be reported instead of the beneficial owner.

[4] http://ec.europa.eu/finance/securities/docs/isd/mifid/rts/160728-rts-22_en.pdf, http://ec.europa.eu/finance/securities/docs/isd/mifid/rts/160728-rts-22-annex_en.pdf

6. Trade reports

6.1. Reporting deadlines

a) Trades executed during continuous trading generally must be reported immediately following the trade. However, the following deadlines apply:

- One minute for shares;
- Three minutes for investment funds, Exchange Traded Funds, Exchange Traded Products and Structured Products;
- 15 minutes for bonds.

b) Trades executed outside of continuous trading must be reported before the opening of trading on the following trading day at the latest.

c) BX may set different reporting deadlines for individual product groups in the appendix.

6.2. Reporting options:

a) Two-sided trade report: The participant reports trades with another participant as a two-sided trade report. The other participant must confirm the report.

b) One-sided trade report: The participant reports trades as a one-sided trade report. The other participant reports the trade independently. If the counterparty is not a participant, the participant reports an 'off-exchange client'.

6.3. The reporting office publishes the information necessary for the transparency of trading, specifically the instrument, price, trading volume, and time and date of trade. In principle, this information is published immediately after receipt of the report. In line with Art. 28 para. 4 of the FMIO and international standards, the reporting office may publish trades in individual investment categories which meet certain criteria with a delay. BX specifies the investment categories and the criteria in the appendix. For the reporting of trades of securities which are not admitted to trading on the BX, the respective trading platform is responsible for the publication pursuant to the laws applicable to the respective trading platform.

6.4. The participant is responsible for the fulfilment of the reporting obligation. Should the participant find an error in the report, the participant must delete the report and submit a new report as soon as possible, at the latest before the opening of trading on the following trading day. The reporting office may delete a report upon request of the participant. In the case of two-sided reports, if the erroneous report has already been confirmed by the other participant, this participant then must also confirm the deletion.

7. Transaction reports

7.1. Each participant reports all trades and orders forwarded, including beneficial owners.

7.2. Each participant involved in the transaction chain reports forwarded orders which lead to trades in accordance with the present rules.

7.3. Transaction reports must be submitted before the close of trading on the following trading day at the latest.

7.4. Transaction reports are not published.

7.5. Erroneous transaction reports must be deleted and possibly newly reported by the participant on the seventh calendar day after submission of the initial transaction report at the latest.

8. Fees

8.1. Pursuant to Art. 5 of the FMIO-FINMA, the reporting office charges fees for the receipt and processing of reports (**Reporting Fee**).

8.2. BX determines the Reporting Fees in the List of Fees of the reporting office. Otherwise, the general provisions of the List of Fees of BX also apply to the Reporting Fees.

8.3. The Reporting Fees and any changes must be approved by FINMA.

9. Reports after emergency situations

9.1. Emergency situations do not release participants from their obligation to report.

9.2. Emergency situations are specifically a failure of the reporting system or parts thereof, a failure of the participant's access system and events of force majeure.

9.3. In an emergency situation, the participant immediately informs the reporting office.

9.4. Reportable trades which were made during the emergency situation must be reported in consultation with the reporting office as soon as possible after the emergency situation ended and must be specifically marked.

10. Final provisions

10.1. The Reporting Participant is solely responsible and liable for incomplete or incorrect data entered into the reporting system. If the Reporting Participant commissions a third party for this purpose, the Reporting Participant is liable for the third party's actions and omissions.

10.2. The reporting office has the right to check or commission the check of compliance with statutory or regulatory provisions at any time. The Reporting Participant is obligated to grant access and allow inspection of all documents (especially of the journal) to BX or those commissioned by BX, and to provide all information necessary for the inspection. The Reporting Participant must bear the costs of the check and inspection. The reporting office treats the information obtained as confidential as far as statutory provisions do not stipulate the disclosure of information. The reporting office may inform or consult FINMA.

10.3. The reporting office grants the trading surveillance office of BX unrestricted access to the reports.

10.4. For the purpose of trading surveillance, the reporting office may forward the information necessary for the transparency of trading to other trading surveillances offices and to the competent authorities.

10.5. These rules were drawn up by the Regulatory Board, approved by FINMA on 20 November 2023 and enter into force on 22 November 2023.

10.6. The current version of the rules replaces the version last amended as of 1 August 2023.

10.7. The changes regarding International Bonds pursuant to clause 4.3 and the content of the report pursuant to clause 5 must be fulfilled at the latest as of 1 May 2024.

Appendix regarding differing reporting deadlines (clause 6.1.c) and delayed publication (clause 6.3)

1. **Differing reporting deadlines**

- none

2. **Delayed publication**

- none