

# General Terms and Conditions

SIX Digital Exchange AG (GTC SDX)

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## A. General information

### 1. Status of SDX

SIX Digital Exchange AG (**SDX**) is a central securities depository in accordance with Art. 61 Swiss Financial Market Infrastructure Act (**FMIA**) and a securities depository in accordance with Art. 4 para. 2 (d) of the Federal Intermediated Securities Act (**FISA**).

SDX is a financial intermediary according to Art. 2 para. 2 (d<sup>bis</sup>) of the Federal Act on Combating Money Laundering and Terrorist Financing in the Financial Sector (Money Laundering Law, **AMLA**) and, as such, subject to supervision by the Swiss Financial Market Supervisory Authority (**FINMA**).

### 2. Participants of SDX

Participants may be legal entities commercially active in securities trading or settlement for third parties, as:

- a) banks in accordance with the Swiss Banking Act (**BA**);
- b) foreign banks that are subject to an adequate degree of regulation and supervision as well as adequate money laundering regulations and supervision at the time of their admission as participants and during their period of participation;
- c) securities firms as defined by the provisions of the Swiss Federal Act on Financial Institutions (**FinIA**);
- d) foreign securities firms that are subject to an adequate degree of regulation and supervision as well as adequate money laundering regulations and supervision at the time of their admission as participants and during their period of participation;
- e) central counterparties recognized as such in accordance with the law of their countries of domicile as well as central securities depositories which are subject to an adequate degree of regulation and supervision as well as adequate money laundering regulations and supervision at the time of their admission and for the entire duration of their participation;
- f) the Swiss National Bank (**SNB**) and other central banks of states with adequate money laundering regulations (in particular with domicile in a member state of the Financial Action Task Force on Money Laundering (FATF)) and not with domicile in a state being on the country blacklist of SIX Group);
- g) other organizations active in the settlement, safekeeping or booking of securities, in particular settlement organizations, stock exchanges and nominee companies that are subject to an adequate degree of regulation and supervision as well as adequate money laundering regulations and supervision at the time of their admission as participants and during their period of participation;

There are no restrictions for participants with respect to the services provided by SDX.

### 3. Conditions for participation

Participants must meet cumulative the following requirements:

- a) signing of the Service Agreement of SDX;
- b) signing of the Access Agreement and the Hosting Agreement of SDX;
- c) maintenance of a CHF account with SIX Interbank Clearing AG (**SIC**) and/or a correspondent institution that is a SIC member, thereby guaranteeing the tokenization of CHF and subsequent settlement of the cash side;
- d) fulfillment of the technical and operational requirements as set out in the rules & regulations in accordance with section 16 GTC;
- e) at the time of acceptance as a participant, the participant shall neither be listed as a sanctioned person by any governmental or supranational authority imposing economic sanctions or embargoes (e.g. the United Nations, the European Union, the Swiss State Secretariat for Economic Affairs, the Office of Foreign Assets Control of the US Department of Treasury, the UK Office of Financial Sanctions Implementation of the HM Treasury), nor be controlled directly or indirectly for more than 50% by a person sanctioned by those authorities, nor is it domiciled in a state or territory subject to regional sanctions by any of those authorities, nor does it, during its participation, engage in economic activities covered by a sanction or embargo imposed by any such authority. The participant immediately notifies SDX of any substantial sanction-relevant facts concerning it, e.g. if the participant or the person directly or indirectly controlling it has been put on a sanctions list of the governmental or supranational sanctioning authority mentioned above. SDX is entitled, at its own discretion and with immediate effect, to restrict a participant's participation to a scope determined by itself or to terminate such participation, if freedom from sanctions in the aforementioned sense is no longer given.
- f) submission of an application for admission as a participant.
- g) no entity has a right to be a participant. SDX grants or denies admission at its own discretion.
- h) the participant is obliged to inform SDX about all relevant developments influencing the participation in general or individual services provided by SDX. In case of doubt the participant has to inform SDX.

### 4. Suspension and termination of participation

SDX is entitled to suspend participation until the fault has been rectified if:

- a) there are indications that the participant has been granted participant status on the basis of incorrect information, or
- b) there are indications that the participant does not or no longer satisfies the criteria for participation and suspension seems appropriate.

With the exception of urgent cases, SDX informs the participant about the suspension in advance.

The participant's participation expires:

- a) Upon termination by either of the contracting parties subject to a period of notice of 30 days at the end of each month. The termination notice must be sent by registered letter.
- b) Subject to Art. 30a BankG, with immediate effect if the responsible supervisory authority withdraws the participant's regulatory licence. The participant is obliged to inform SDX immediately of such license withdrawal.
- c) With immediate effect if a competent court or authority orders bankruptcy proceedings or liquidation or a measure being comparable with these regarding the participant.
- d) If the participant violates grossly its duties towards SDX or another company of SIX Group AG, SDX shall, after granting a short period for restoring the lawful status, decide at its own discretion whether or not the participation is to expire and the time of such expiration.
- e) If there are reasonable doubts regarding the continuance of the participant, e.g. due to initiation of bankruptcy proceedings or proceedings before the magistrate in bankruptcy against its parent company, SDX shall, after granting a short period for a statement, decide at its own discretion whether or not the participation is to expire and the time of such expiration.
- f) Should the responsible Swiss supervisory body order a protective measure in accordance with Art. 26 BA or restructuring plans ("Sanierungsverfahren") in accordance with Art. 28 to 32 BA, or should a responsible foreign supervisory body order equivalent measures to be taken, SDX, subject to Art. 30a BA shall decide at its own discretion whether or not the participation is to expire and the time of such expiration.
- g) Should one or more of the reasons for expiry mentioned above under items b) to f) become applicable to SDX, the participant is also entitled to let its participation in SDX expire with immediate effect by informing SDX by registered letter.

No further instructions for transactions will be accepted by SDX following the suspension or termination of the participant's participation.

After termination of the participation, SDX transfers the assets of the former participant to the former participant or third parties in accordance with the former participant's instructions or, respectively, the instructions of the competent party, e.g. the supervisory authority.

If the former participant or, respectively, the competent party, e.g. the supervisory authority, does not issue any instructions, SDX shall continue to hold the assets until it receives corresponding instructions. If SDX continues to hold and manage the assets, the provisions of the SDX Service Agreement, the GTC SDX and in particular all provisions relating to the fees payable by the former participant shall continue to apply, with the exception that SDX is only obliged to carry out instructions relating to transfers of assets to a third party. During the period in which the assets remain with SDX, SDX shall only provide those services relating to the assets that it deems necessary; in doing so, it takes into account the interests of the former participant and the clients of such participant.

All claims of SDX against the participant existing at such point in time shall become due upon termination of the participant's participation. SDX may demand advance payments for services after termination of participation.

- h) If the participation expires, SDX shall inform, within the framework of its contractual obligations, the financial market infrastructures with which SDX cooperates. Moreover, SDX shall inform FINMA of this fact.

In the event of a voluntary cessation of business or return of the participant's regulatory license, SDX will continue to provide its services in accordance with the relevant agreements and the GTC SDX until the termination of these agreements, taking into account any administrative and/or court orders.

## **5. Securities and cash accounts**

The participant shall hold one or more securities/cash accounts on the DLT system of SDX in its name. The participant is required to keep its own holdings and those of customers in separate securities accounts.

## **6. Disposition authority and verification of legitimation**

All disposition authorizations/authorized signatures made known in a verifiable way to SDX are valid towards SDX and until such time as their revocation is communicated to SDX in a verifiable way, deviating register entries and publications notwithstanding.

Damage resulting from a failure to detect a lack of legitimation, e.g. due to transactions initiated unlawfully or unlawful access to the network, forged signatures or documents, the misuse of e-mail or other electronic transmission systems, shall be borne exclusively by the participant, provided that there is no fault on the part of SDX (intent or negligence).

In its communication with the participant and the persons authorized by the participant, SDX is entitled to take the measures it deems appropriate to verify legitimation at all times. Damage incurred by any delays caused by the said measures are to be borne by the participant.

## **7. Verification of securities**

SDX may verify securities delivered by the participant or by third parties for the account of participant for authenticity and blocking notices or have such verification performed by domestic or foreign third parties. In particular, SDX will execute instructions and administrative actions only after a verification and a possible change of registration are completed. If instructions are executed late or not executed due to a verification or a possible change of registration, any damage is borne by the participant, provided that there is no fault (intent or negligence) on the part of SDX.

## **8. Eligible securities**

SDX determines the requirements for the securities eligible for settlement, safekeeping, custody or booking.

## 9. Confidentiality, disclosure and outsourcing

The bodies, employees and authorized representatives of SDX are under a statutory obligation to maintain secrecy towards third parties regarding the securities settled, booked or held in custody by SDX. Information of any kind may be issued only to authorized persons. Exceptions are granted only to the extent required by the law or official decrees, where the SNB or FINMA request the data to fulfill their legal mandate, or where necessary for other special – namely settlement-specific – reasons. The special reasons must be set out in the rules & regulations in accordance with section 16 GTC SDX.

Data of any kind may generally be divulged to third parties only given the participant's approval. However, specific legal provisions and official decrees on the disclosure of data may prevail over the provisions set out in these GTC.

Notwithstanding the foregoing, the participant authorizes SDX to disclose data about registered share/participation certificates transactions (delivering participant, receiving participant, number of registered shares/participation certificates, settlement date, ISIN, security number, etc.) to the respective issuer's share/participation certificates register. The participant releases SDX to this extent from its duty of confidentiality, especially pursuant to Art. 147 FMIA. If data is transferred to share/participation certificates registers, all data recipients are subject to a comprehensive confidentiality provision.

SDX is entitled, and has the consent of the participant, to outsource data processing and other services to third parties in Switzerland and abroad, including in particular the companies of SIX Group AG, e.g. SIX Group Services AG, SIX companies, which run financial market infrastructures as well as further companies legally affiliated to SIX Group AG. If data is transferred to group companies or external third parties as part of an outsourcing arrangement, all data recipients are subject to a comprehensive confidentiality provision.

If an essential service by which data of the participant is to be sent to a service provider abroad is outsourced, SDX shall inform the participant according to the statutory requirements sufficiently in advance of such a measure.

The increased need for protection of Client Identifying Data (CID) is taken into account through compliance with the regulatory and statutory, in particular criminal law and data protection law, requirements by appropriate technical and organizational measures. Any deviating provisions regarding the processing of Client Identifying Data (CID) in the respective service documentation remain reserved.

Irrespective of the above paragraphs of this section, SDX shall be entitled to disclose information excluding Client Identifying Data (CID) regarding clients of participants to group companies of SIX Group AG, and/or own employees abroad (e.g. at branches) provided that the relevant group company and/or own employees abroad concerned is/are bound by similar confidentiality provisions as stipulated in the GTC SDX. The compliance with Art. 147 FMIA is also ensured. This applies in particular in the context of cross-company and/or cross-national intra-group projects, e.g. concerning product developments/improvements, market analyses, marketing, optimization of customer services (e.g. "Know Your Customer" data) and risk management as well as for the ensuring of the intra-group organization.

Subject to para. 3, 4, 5 and 6 under this section above, the disclosure of participant data, in particular to third parties abroad, is not permitted except in correspondence with the persons and companies necessary for the fulfillment of contractual obligations.



If an issuer or another party requires further information, which SDX has not available (e.g. regarding the background of a transaction, investor data, a beneficial owner or based on mandatory regulation), SDX will contact the participant. If the participant refuses the delivery of the required information, it bears the sole responsibility for damages that the participant, customers of the participant or third parties may suffer due to this refusal. The participant holds SDX completely harmless in this connection and is obliged to transfer away concerned assets it holds with SDX and for which SDX does not exercise a central securities depository function, if SDX requests the participant to do so.

The participant is obliged to pass on to SDX upon request the information mentioned by Art. 23a FISA.

Within the framework of the legal provisions, SDX is entitled to request necessary information and assurances from the participant in order to protect its interests and to the extent required for reasons of money laundering legislation, the prevention of terrorist financing and the international sanctions provisions. If this information and/or these assurances are outside the participant's organizational and responsibility sphere, the participant will pass on the request of SDX to any third parties known to the participant, e.g. its clients, and forward their information and assurances to SDX.

In particular, SDX is entitled to obtain "Know your Customer" (KYC) information from the participant by means of an appropriate questionnaire. The participant must complete the questionnaire accordingly within the scope of its duty to cooperate and its duty of care.

Participant data may be passed on to domestic and foreign bodies in connection with bankruptcy proceedings or proceedings before the magistrate in bankruptcy, as well as to persons appointed by the said bodies under these proceedings.

Subject to legal provisions that stipulate otherwise as well as official decrees and ordinances, SDX informs the participant of requests for information from domestic and foreign bodies as well as of the scope of the data disclosed.

SDX is entitled to publish lists of participants.

SDX shall take the necessary measures to guarantee the integrity and security of the data.

If not explicitly demanded by SDX, the participant is prohibited from creating data in the SDX systems which make it possible to identify end customers (i.e. so-called CID – Client Identifying Data).

## **10. Data protection**

- a) SDX processes personal data in accordance with the applicable statutory data protection requirements. The SDX data protection declaration listed as Annex 2 informs the data subjects concerned about the processing of personal data by SDX. This data protection declaration is a unilateral declaration by SDX without binding effect for the participants. It is not part of the GTC SDX and is attached to the GTC SDX for information purposes only.
- b) By disclosing personal data to SDX, the participant confirms that it has informed in advance the persons concerned (employees, clients, agents, etc.) if and to the extent required whose data it transmits to SDX about the disclosure of personal data to SDX, the associated data processing as well as the data processing by SDX and it is authorized to do so. This concerns in particular the

case in which personal data may have to be disclosed to business partners and agents of SDX in third countries without an adequate level of protection for the purpose of providing the contractual services.

## **11. Communication**

Orders, messages or instructions from the participant to SDX and messages from SDX to the participant shall be sent online. If an online connection cannot be established, specific backup media set out in further rules & regulations pursuant to section 16 GTC SDX may be used, subject to notification and agreement regarding the communication medium to be used.

SDX communications with its participants are binding and will be sent by a computer-to-computer link. More details can be found in the SDX rules & regulations in accordance with section 16 GTC SDX.

The participant knows and takes into account that – notwithstanding all due diligence measures – the confidentiality, integrity and authenticity of data cannot be guaranteed in messages sent by SDX to the participant via open means of transmission and communication (such as the Internet). SDX shall not be liable towards the participant for any damage resulting from the use of the above-mentioned means of communication.

Orders, instructions, etc. issued by the participant must be unconditional. SDX does not correct errors or carry out checks.

Orders and instructions authenticated as correct are binding for the participant.

The participant's orders and instructions are regarded as accepted by SDX only upon dispatch of a notice of acceptance (order acceptance via notification of Accepted status).

SDX and the participant give their consent to the recording of their communications.

## **12. Confidentiality**

The participant hereby acknowledges and agrees that it will keep confidential information confidential, limit the disclosure of confidential information to trusted personnel within its organization and treat confidential information with the same care and diligence as it treats its own confidential information.

"Confidential information" in this context refers to any information concerning the SDX distributed ledger technology, regardless of whether this information has been patented, tested and put into practice or is subject to copyright. Confidential information does not include information already generally accessible to the participant at the time of disclosure or that becomes generally accessible at a later date.

## **13. Compliance with the law, obligation to provide assistance and pay costs in the event of judicial or administrative proceedings against SDX**

The participant is responsible for ensuring that it is in compliance with the applicable law (in particular tax, foreign exchange, stock market and company regulations) in Switzerland and abroad. The

participant shall be liable to SDX for any loss or damage arising as a result of a breach of Swiss or foreign law or market rules on the part of the participant.

If the participant violates para. 1 of this provision and SDX becomes liable to third parties for this reason, the participant shall fully indemnify SDX for any damages suffered as a result of such violation.

To the extent that SDX depends on the participant's assistance in complying with the law in Switzerland and abroad, the participant shall support SDX.

In the event of any judicial or administrative proceedings which are impending or have been already initiated against SDX in Switzerland or abroad in which SDX is involved instead of the participant/beneficial owner or in addition to these, the participant, on behalf of whom SDX has acted, is obliged to provide SDX with assistance to the extent the latter is reliant on it.

SDX is entitled to disclose data relating to a participant with the participant's approval or in the case that SDX risks punishment. If SDX faces the risk of serious disadvantage should it fail to supply this data (such as the initiation or continuation of court or administrative proceedings, through which considerable financial or reputation associated disadvantages impend) and the participant refuses a corresponding disclosure or SDX is not discharged from the proceedings despite a disclosure, the participant shall be obliged to indemnify SDX. This indemnification is made for costs in connection with the representation of interests of the participant as well as of legitimate interests of SDX. The reimbursement includes all costs incurred by SDX in relation to such proceedings (e.g. court and legal fees, costs in relation to expert consultations, other third party costs, internal costs, etc.). Regardless of any disclosure, a corresponding liability of indemnity shall exist for external costs upon receipt of the complaint. SDX has defined further details of the costs to be assumed in the rules & regulations pursuant to section 16 GTC SDX.

#### **14. Pricing and interest**

SDX determines the prices for its services including (negative/positive) interest in the price lists pursuant to section 16 GTC SDX and can amend these at any time in accordance with section 17 GTC SDX.

Participants will receive a monthly invoice from SDX detailing the services provided to the participant. All invoice amounts are indicated in Swiss francs. All prices are stated exclusive of value-added tax (VAT).

An invoice is regarded as accepted by the participant unless the participant raises its objections by registered letter within 40 days of receipt of the invoice.

For the settlement of invoices, the participants pay their invoices via standard transfer, QR transfer (only within Switzerland) or using the direct debit procedure (LSV).

#### **15. Costs and expenses**

If SDX incurs costs and expenses in connection with the provision of services, SDX is entitled to charge these to the corresponding participant. This applies also in the case that an appointed third party charges costs and expenses to SDX.

## **16. Annexes and rules & regulations**

The Annexes to these GTC form an integral part of these GTC SDX.

In addition to these GTC SDX, the contractual relationship between SDX and the participants is also governed by additional rules & regulations (current editions). The following rules & regulations form an integral part of the Service Agreement between the participant and SDX:

- a) Price lists;
- b) Market Guide;
- c) Documents on technical specifications;
- d) All other information and messages made available to the participants and identified as binding.

In the event of inconsistencies between the German and English versions of the GTC SDX and the rules & regulations, the German version alone is binding.

## **17. Changes to the GTC, including the annexes and rules & regulations**

SDX reserves the right to make changes at any time to the GTC SDX, including the Annexes and the rules & regulations, in accordance with section 16 GTC SDX.

The changed GTC SDX are dispatched to participants in writing or by e-mail. The changes to the GTC SDX are regarded as accepted by the participant unless the latter raises its objections in a registered letter within 30 days of receiving the new GTC SDX. The changes shall come into force pursuant to the dates announced in the dispatch, or 40 days after the dispatch of the changed GTC SDX at the earliest. Should a participant object to the GTC SDX being changed, SDX is entitled to terminate the business relationship with the said SDX participant by sending a corresponding notice by registered letter, effective as of the date on which the new GTC SDX come into force.

SDX notifies its participants of the rules & regulations, as well as amendments to the rules & regulations, by publication on the SDX website and a respective notification to the participants via e-mail in writing, or, exceptionally, by data carrier (e.g. CD, USB stick). The participant acknowledges that communications are equally binding whether in writing or in electronic or other form.

SDX is authorized to change the rules & regulations at any time. New rules & regulations as well as changes to these are deemed to have been approved by the participant unless it raises objections within 14 days of receipt of notification of the amendment by registered letter. SDX determines the effective date of new or amended rules & regulations. In the event that the rules & regulations do not contain any provision with regard to the effective date, they shall enter into force upon notification according to the above paragraph of this section. If a participant files objections to the new or changed rules & regulations, their effectiveness shall lapse retroactively for the respective participant. This shall not apply if the rules & regulations implement Swiss or foreign law or market rules which require an urgent implementation. In the event of objection, SDX shall be authorized to terminate the service affected by the amendment by registered letter, with effect from the expiry of the deadline for filing objections. Moreover, SDX shall be authorized to terminate the entire contractual relationship with the participant where

the termination of an individual service or the continuation of other contracts would not make any sense without this service. In case of termination of the entire contractual relationship, the notice periods stipulated in the individual contracts are decisive.

## **18. Language versions**

There is an English and a German version of the GTC SDX. In case of any inconsistencies or interpretation difficulties that may arise between the two language versions, the German version shall prevail.

# **B. Creation, disposition of and extinction of intermediated securities at SDX**

## **19. Creation of intermediated securities at SDX**

Intermediated securities are created at SDX when simple uncertificated securities are registered in a main register kept by SDX and credited to one or several securities accounts or when ledger-based securities are transferred (in accordance with Art. 973d Swiss Code of Obligations) to SDX and credited to one or several securities accounts (simple uncertificated securities and ledger-based securities, hereinafter referred to as **uncertificated securities**).

The creation and management of positions in registered shares that are issued in the form of simple uncertificated securities are subject to the provisions of Annex 1 GTC SDX.

SDX exclusively accepts custody of uncertificated securities. No securities or global certificates are accepted in custody.

## **20. Disposition of intermediated securities**

Intermediated securities are disposed of by SDX upon instruction from the participant to transfer the intermediated securities and credit them to the acquiring participant's securities account.

SDX has neither the right nor the duty to investigate the legal basis of booking or transfer instructions.

## **21. Extinction of intermediated securities**

The participant may have its intermediated securities withdrawn from the DLT system of SDX at any time.

SDX ensures that intermediated securities are only withdrawn after intermediated securities of the same type and amount have been debited to the securities account of the participant concerned.

SDX shall not be subject to any further obligations.

## **C. Management of securities**

### **22. Scope of management functions**

SDX shall assume the management of securities (safeguarding rights arising out of securities in custody or booked) pursuant to these GTC and provisions set out in special contracts concluded with the participant and the rules & regulations pursuant to section 16 GTC SDX. The right to apply other practices is reserved.

It is the sole responsibility of the participant to comply with all domestic and foreign legislation (in particular tax, foreign exchange and stock market regulations or company law) and statutory provisions with respect to securities held in custody or booked for the participant. This is subject to actions which SDX has a legal obligation to perform or has expressly undertaken to perform in the rules & regulations pursuant to section 16 GTC SDX or in contractual agreements with the participant concerned.

Corporate actions on Swiss securities are executed on pay date (beginning of day) for eligible holdings as at record date (end of day), provided the issuer has not stipulated otherwise.

### **23. Corporate actions**

SDX performs Corporate Actions for the participant as set out in the rules & regulations in accordance with section 16 GTC SDX.

### **24. Other management functions**

Any further management functions shall be carried out upon agreement with and in the best interests of the participant, who shall be notified thereof. If necessary, the local stock exchange bodies and the paying agents shall be consulted as advisory bodies.

## **D. Disposition of securities**

### **25. Instructions from participants in general**

SDX is obliged to execute the participant's instructions concerning the disposal of its securities positions as provided for in these GTC, in further provisions of the rules & regulations pursuant to section 16 GTC and in any special contracts with the participant.

SDX has neither the right nor the duty to investigate the legal basis of instructions.

The participant shall determine the time of execution of the instruction by entering the settlement date.

After execution of the instruction, SDX is released from further obligations towards the instructing participant.

Instructions that are received after a time specified by SDX will be processed on the following working day.

## **26. Revocability and finality of instructions and completion of settlement**

At the latest, the participant may revoke instructions issued to SDX – that have been neither rejected nor deleted – until SDX has signed and issued a time stamp for the transaction triggered by the instructions.

The participant cannot revoke instructions from the stock exchange or instructions issued by SDX in the participant's name.

The finality of instructions, meaning that they are legally binding and valid for third parties even in the event of insolvency measures being ordered, is governed by Art. 89 FMIA; this does not affect Art. 20 FISA. Consequently, a participant's instructions are legally binding and valid for third parties even in the event of insolvency measures being ordered (finality), when the instruction:

- a) was received by SDX and became irrevocable before measures were ordered, or
- b) was received by SDX and became irrevocable after measures were ordered and was executed on the day measures were ordered, if SDX can demonstrate that it had not learned of the order and cannot be expected to have learned of the order.

Settlement is completed at the time according to the time stamp; at this time, the disposing participant loses its right to the intermediated security and its counterparty receives the right to the intermediated security disposed of.

## **27. Special provisions concerning withdrawal instructions**

The participant may at any time require SDX to deliver or instruct the delivery of certificated securities of the kind corresponding to the intermediated securities credited to the participant's securities account, provided that it can demand from the issuer that the issuer issues it securities of the same type or class for intermediated securities created at SDX by the entry of simple uncertificated securities in a main register or the transfer of ledger-based securities.

As a rule, withdrawals shall take place at SDX. SDX will specify the points of withdrawal in the rules and regulations pursuant to section 16 GTC SDX. The participant shall bear the costs incurred by the issue and delivery of certificated securities.

Provided that the terms of issue or articles of association of the issuer do not provide that the participant may request the intermediated securities created by entering simple uncertificated securities into a main register or transferring ledger-based securities to be replaced by the issuance of certificated securities, SDX shall be released from its obligation to withdraw. In lieu of physical withdrawal, securities are taken off the books.

SDX can decree special provisions if owing to their form or because of statutory or contractual provisions the withdrawal of securities is subject to restrictions or special conditions.

The participant shall bear the risk for withdrawals or returns; SDX shall not assume any liability. In the case of consignments by courier or post, SDX shall insure the cost of amortization and reproduction. The participant shall bear the costs of transport and insurance.

## **28. Special provisions concerning transfer instructions**

Transfer instructions enable the participant to transfer intermediated securities to another participant.

The participant shall recognize as its own transfer instructions those instructions transmitted to SDX from a recognized stock exchange or a recognized trading platform with which SDX has respective contractual agreements or authorizations are in place. SDX is authorized to effect the corresponding bookings based on such instructions without the need for a special power of attorney.

The transfer instructions can be issued as instructions for delivery versus payment (DVP) instructions or delivery free of payment (DFP).

## **29. Non-executable instructions**

The participant to be debited must ensure that at the time of booking there is sufficient cover.

Instructions from participants for which there is no matching counter-instruction will be deleted automatically after 30 days. In the event of insufficient cover, instructions from participants for which there is a matching counter-instruction will be held as pending (they will not be rejected or deleted) until settlement is attempted again at a later time.

Instructions from SDX Trading AG will be deleted immediately in the event of insufficient cover. This does not apply to instructions issued by SDX Trading AG to reverse mistrades. In the event of insufficient cover, such cancellation instructions will be held indefinitely as pending (they will not be rejected or deleted) until settlement is attempted again at a later time.

In the event of insufficient cover, cancellations by SDX will be held indefinitely as pending (they will not be rejected or deleted) until settlement is attempted again at a later time.

SDX will inform the participant concerned and SDX Trading AG without delay of instructions not executed if the instruction was sent via a stock exchange.

In the event that participants refuse to acquire securities necessary to execute a cancellation, SDX reserves the right to acquire the corresponding securities on the market itself and to offset the costs incurred as a result – after any realization in accordance with section 35 GTC SDX – in accordance with section 37 GTC SDX.



## **E. Cash settlement**

### **30. General regulations for cash settlement**

Unless provisions to the contrary are contained below, section 25 et seq. GTC SDX apply with the corresponding amendments.

DVP orders shall be executed on the condition of matching delivery and payment instructions.

The cash settlement of DVP transactions and other debits or credits arising from participation in SDX are settled through one or several accounts at SDX held in the name of the participants.

### **31. Current account transactions**

Crediting or debiting of fees, interest, commissions, expenses and tax shall be effected on the due date.

SDX reserves the right to change its interest and commission rates at any time, namely in the event of changes in circumstances on the money market. Depending on the respective money market conditions, SDX may charge the participant negative interest. This does not affect the possibility of special contractual agreements between the participant and SDX.

### **32. Payment in the SIC system**

At any time, the participant can demand that SDX charges it an amount in tokenized Swiss francs in the DLT system of SDX and transfers the corresponding amount in Swiss francs to its SIC account or the SIC account of a correspondent bank.

#### **32 a. Cash settlement in foreign currencies**

- a) Participants may hold accounts in their own name to settle DVP transactions as well as other debits or credits in tokenized foreign currencies arising from their participation in SDX.
- b) The assets of SDX corresponding to the participants' credit balances in tokenized foreign currency shall, wherever possible, be invested in the same currency both inside and outside the country that uses the foreign currency in question. The participant shall bear a proportional share of the effects of economic and legal consequences on the total balances of SDX in the country of the currency in question or the investments as a result of official measures.
- c) At its own risk, SDX may invest credit balances placed with subcustodians in secured or unsecured investments with other counterparties with high credit ratings.
- d) SDX shall fulfill payment obligations arising from tokenized foreign currencies exclusively through a credit in the country/countries of the currency in question at the correspondent bank of SDX or a bank determined by the participant.

- e) Orders shall not be executed if the amount of the corresponding tokenized currency in the account is not sufficient, regardless of any credit balance that the participant holds in an account in another currency.

## **F. Controls and reconciliations**

### **33. Participant's duty of control**

The participant must carefully check movements in its securities and cash accounts. Further the participant is responsible for monitoring its transactions and has to report any discrepancies of any kind to SDX without delay. To do this SDX will provide appropriate automated reconciliation mechanisms.

If SDX does not receive from the participant a complaint within 30 days of movements in its securities and cash accounts, these shall be deemed to be approved by the participant.

## **G. Liability**

### **34. Liability**

The participant is responsible for any damage arising from improper fulfillment or non-fulfillment of contractual duties on the part of SDX as a result of the loss, destruction or deficient transmission of instructions, as long as there is no fault (intent or negligence) on the part of SDX. SDX shall not accept wider liability on the basis of any legal claims whatsoever.

The participant alone is responsible for the authenticity, correctness and completeness of transmitted instructions. Damages arising from illegible or not fully legible, forged or improper instructions shall be borne by the instructing participant, provided that SDX is not guilty of any fault (intent or negligence).

SDX shall not be liable for damage if, for reasons that are not its responsibility, it was hindered in the correct and punctual fulfillment of the contract (e.g. in case of disturbances, delays, omissions, errors of any nature).

Excluded in particular is any liability on the part of SDX for damage arising from acts of God, turmoil, war or natural catastrophes or through functional disturbances (such as interruptions, delays, other errors etc) in automated, notably technical or electronic systems (such as electronic data processing).

SDX shall not be liable for the behavior of third parties acting on its behalf if it has practiced due diligence in selecting, instructing and – where necessary – supervising them.

Finally, SDX accepts no liability for wider claims, notably compensation for indirect or consequential damages, loss of profit or earnings, unrealized savings, additional expense and damage from loss of data, regardless of the legal basis.

## **H. Lien, right of retention and right of set-off**

### **35. Right of retention and foreclosure**

SDX shall be entitled to retain and foreclose on securities credited to a securities account after a corresponding advance notice provided a debt owed by the participant is due and arises out of the custody of the securities

The right of retention and foreclosure of SDX against the participant shall cease when SDX credits the securities to the securities account of another participant.

### **36. Pledge**

For its claims against a participant under the existing contractual arrangement, SDX is entitled to a lien and foreclosure on all securities held in custody or booked for the participant as the participant's own holdings and on claims on book money of the participant against SDX. The lien clause in the Service Agreement concluded with the participant is considered as an agreement between the participant and SDX pursuant to Art. 26 para. 1 FISA.

### **37. Right of set-off**

SDX is entitled to set off or claim individually all its receivables against participants, regardless of their legal basis, at any time.

## **I. Applicable law, place of jurisdiction**

### **38. Applicable law, place of jurisdiction**

Swiss law shall be applicable to the legal relations between SDX and its participants, including but not limited to these GTC, the Service Agreement including any individual agreements between SDX and its participants, the special agreement, and the rules & regulations pursuant to section 16 GTC SDX.

Swiss law shall also be the applicable law regarding all connecting factors according to Art. 2 (1) of the Convention of 5 July 2006 on the Law Applicable to Certain Rights in Respect of Securities Held with an Intermediary as well as regarding all aspects of the law of property and the law of obligations (Art. 105 and Art. 116 Swiss Federal Code on Private International Law).

The exclusive place of jurisdiction for all types of proceedings and disputes arising from the GTC, the Service Agreement, the special agreements and the rules & regulations in accordance with section 16 GTC SDX is Zurich.

### **39. Place of performance**

The place of performance is Zurich.

### **40. Signing**

In addition to the possibilities for signing mentioned by Art. 14 Swiss Code of Obligations, a signing of documents may also be executed by simple electronic signatures, e.g. by scanning of a document signed by hand-writing or by including a photographed signature in an electronic document, if this is not governed explicitly deviating in the relevant documents.

Termination of agreements have to be executed in writing, if not governed otherwise in the corresponding agreements.

## **J. Transitional provisions to the General Terms and Conditions**

### **41. Ad section 16: Additional rules and regulations binding on participants**

This version of the GTC SDX enters into force on 3 April 2023 and is binding for all participants. The legal effects of facts which have occurred and are completed before the entering into force of this version of the GTC SDX are assessed according to the provisions of the GTC SDX having been valid at the time of the occurrence and completion of these facts.

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# Annex 1: Special provisions for the management of registered shares issued as simple uncertificated securities

## 1. Admissible assets

Registered shares of a Swiss joint stock company (hereinafter called a **joint stock company**) which were issued as uncertificated securities (hereinafter called **registered shares**) can be entered in the DLT system of SDX and thus become intermediated securities, subject to the existence of an agreement between SDX and the joint stock company concerned.

## 2. Legal basis and claims

Holdings are booked with SDX on the basis of a contractual relationship to provide a service in the form of a DLT system of SDX for registered shares.

A booking with SDX does not establish a legal claim on the part of the participant or its customers to registered shares or the corresponding intermediated securities. Rather, it assumes that the participant or its customers have vested rights through title deed to the number of intermediated securities entered.

Irrespective of the booking, the sole rights vis-à-vis the joint stock company attaching to and arising from the booked intermediated securities or registered shares are those anchored in the law and the by-laws of the company.

## 3. Remittances

SDX exclusively accepts custody of simple uncertificated securities. By contrast, no securities or global certificates are accepted in custody.

Registered shares can only be booked with SDX after any existing securities or global certificates have been voided.

## 4. Bookkeeping

SDX shall keep book entries of intermediated securities based on registered shares per participant and per share category.

Shares are booked at SDX purely on a volume basis. SDX learns of the names of shareholders only on request. The holdings booked for each participant at SDX comprise not only the holdings that belong to the participant itself, but also customer holdings held with the participant as book entries.

## 5. Dispositions

SDX bookings are executed solely on the basis of and in accordance with the instructions of the participant.

The participant appoints and authorizes SDX to effect in the participant's name, with each transfer instruction, the transfer or credit of the corresponding shares or intermediated securities in favor of the beneficiary participant.

For the rest, the participant shall ensure that the entry and transfer instructions and the instructions to take entries off the books correspond to the material entitlement to the registered shares or

intermediated securities and, in particular, compliance with the legal, statutory and contractual provisions of transfer. SDX does not undertake any examination in this respect.

## **6. Withdrawals**

Any withdrawal of physical share certificates by the joint stock company is conditional upon the participant issuing SDX an order to take the corresponding shares off the books.

Pursuant to section 27 GTC SDX, the participant may demand at any time that shares be withdrawn from the SDX DLT system. The participant itself is responsible for ensuring that the shareholder receives the physical shares or certificates removed from the books from the joint stock company.

## **7. Confirmation and controls**

Confirmation of new bookings, transfers and withdrawals shall be promptly sent by SDX to the participants concerned.

## **8. Reconciliation of holdings**

SDX shall reconcile the holdings in the main register against the holdings in the securities accounts on a daily basis. The joint stock company must ensure that at all times there is an entry in accordance with the legal requirements in a book of uncertificated securities for all registered shares represented by the above holdings.

## **9. Responsibility**

Subject to section 13 GTC SDX, SDX is responsible only for correct booking in accordance with the participant's booking and disposition instructions. SDX does not accept any liability for ensuring that the participant or its customers do in effect have vested rights to the number of registered shares or intermediated securities booked.

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## Annex 2: Privacy statement

The privacy statement of SIX Digital Exchange AG (**SDX**) explains how and why **SDX**, a legal entity of the SIX Group, processes personal data. It applies to all natural persons with whom we come into contact. This includes employees, officers, directors, beneficial owners and other personnel of our customers as well as service providers, authorities, and other business counterparties.

SDX aims at strong protection of natural persons in regards to processing of their personal data.

Our services are offered to institutional customers only, nonetheless the processing of transactions might include personal data where this is necessary to ascertain the business purpose. In addition, we process personal data in the context of business contact information.

SDX is independent and autonomous and not a joint controller, i.e. it is responsible for the processing of personal data.

### Why do we process personal data?

We process personal data about you where:

- It is necessary to enter into a contract or carry out a contract with our customer.
- It is necessary to comply with our legal obligations.
- It is in our legitimate business interests, e.g. for security compliance if you visit our office, or to protect our IT infrastructure.

We process personal data, for example, for the following reasons:

- To undertake corporate marketing
- To enter into contract
- To provide services and products to our customers including any communication required to render them
- To receive customer requests and improve services/products accordingly
- To receive, investigate and respond to customer complaints
- To inform customers, suppliers and authorities about incidents and their impacts and resolution
- To manage relationships with business partners, customers and service providers
- To carry out analyses with the intention to strengthen relationships and improve the quality of our services
- For testing and support purposes
- To operate and maintain our information technology
- To establish, exercise and/or defend legal claims and rights

- To protect, exercise and enforce our rights, property or safety, or to assist our customers or others to do so

### **What categories of personal data do we have?**

Personal data processed by SDX is limited to basic contact information for individuals. In general this includes name, job title, position, work address, telephone number, email address. Other categories depend on the respective business product or service, e.g. beneficial owner identifiers in transaction reports.

### **Where do we get personal data from?**

We collect data from the following sources:

- Personal data obtained from customers when you
  - Give us contact data for relationship management, sales or any other purpose
  - Send us your data on forms, e-forms, e-mail or by post
  - Send us information for client on-boarding or admission
  - Provide us data to enter into a contract or service level agreement including billing
  - Provide us with data during the performance of our services for issue management, collection of customer experience, service improvement and other legitimate reasons
- Personal data obtained from service providers required to
  - Establish and maintain a contact
  - Enter into and maintain contracts, service level agreements and other types of service descriptions
  - Facilitate billing and payment
  - Monitor and control service delivery to ensure and enhance quality
  - Collaborate on solution design and delivery
- Personal data we receive from other sources
  - Background information from third party providers
  - Information from authorities
  - Information from publicly available sources

### **Disclosure of personal data, to whom is personal data disclosed?**

Your personal data may be disclosed to and/or transferred to

- Our business partners (e.g. custodians, correspondent banks) if your data is included in business transactions which need to be processed by them
- Your own organization in connection with issue and problem resolution, contract management, service and billing requests, requests of your compliance office, client relationship management concerns



- The Swiss National Bank (SNB)
- Competent regulatory (e.g. FINMA), prosecuting or tax authorities
- Our auditors and legal advisors involved in or contemplating legal proceedings
- Our technology suppliers that provide support for incident handling
- Other persons where disclosure is required by law

### **Where do we transfer the data?**

SDX is a legal entity of the SIX Group. We may transfer your personal data to other SIX Group entities, regulatory, prosecuting, tax and governmental authorities, courts and other tribunals, service providers and other business counterparties located in countries inside or outside the European Economic Area (EEA), including countries which have different data protection standards to those which apply in the EEA. In the event of data being transferred to a business partner in a country with a different data protection standard, the business partner will have a contractual obligation to us to protect the data in accordance with a data transfer agreement valid in the EEA or other suitable security measures.

### **How long do we keep personal data?**

As a general rule, we keep personal data as long as we have a client relationship. After a client relationship ends, we usually must keep it for a period of ten years. If a customer informs us of one of its employees leaving its service, the retention period begins from this date.

### **What are the rights in relation to personal data?**

Data owners can ask us to: (i) provide them with a copy of their personal data; (ii) correct their data; (iii) erase their data; or (iv) restrict our processing of their data. They can also opt out of the processing of their personal data for direct marketing purposes or object to our other processing of their personal data. These rights will be limited in some situations; for example, where we are required to process personal data by law.

To exercise these rights or if you have questions about how we process your personal data, please contact us using the contact details on the last page. You can also complain to the relevant data protection authorities where you live or work or where the alleged infringement of data protection law occurred.

### **Updates to this Privacy Statement**

This privacy statement was last updated on 2 November 2021. Future updates may be required in response to changing legal, technical or business developments.

### **How to contact us**

Further information can be requested by e-mailing the Data Protection Officer of the SIX Group [data.protection@six-group.com](mailto:data.protection@six-group.com) or in writing from SIX, Compliance, Hardturmstrasse 201, CH-8005 Zurich, Switzerland.

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