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CMTA Tokenized Shares

Certification Mark Regulations

24 November 2021

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1. SUBJECT

The “Standard for the tokenization of shares of Swiss corporations” (the “**Share Tokenization Standard**”) is a standard that aims at establishing good practices with regard to the issuance of shares in the form of ledger-based securities (*Registerwertrechte, droits-valeurs inscrits*) within the meaning of Article 973d of the Swiss Code of Obligations (“**CO**”). The Share Tokenization Standard is created and published by the Capital Markets and Technology Association (the “**CMTA**”), a Swiss association registered in the commercial register of the canton of Geneva under reference number CHE-408.722.286, and whose purpose is to promote the development of new technologies in the field of capital markets.

These regulations set forth the terms of use of CMTA’s certification mark contemplated by these Regulations (within the meaning of Article 21 of the Swiss Federal Trademark Act¹) with regard to the Share Tokenization Standard (the “**Certification Mark**”). The purpose of this certification mark is to assure shareholders, operators of trading systems and other persons who have business relations with Swiss companies that have issued shares in the form of ledger-based securities that the latter comply with the requirements of Article 973d CO and therefore have the legal effects provided for in Article 973f CO.

The Certification Mark is reproduced below:



These regulations set out the conditions under which the Certification Mark can be used.

2. CERTIFICATION MARK OWNER AND SUPERVISORY BODY

The CMTA is the owner of the Certification Mark.

The Executive Committee of the CMTA (the “**Committee**”) is the supervisory body of the Certification Mark. The Committee may delegate the exercise of certain tasks or responsibilities in relation to controlling the Certification Mark to another body or to third parties (the Committee and any beneficiaries of such delegations are collectively referred to below as the “**Supervisory Body**”).

3. APPLICABLE RULES

The following documents as published on CMTA’s website (www.cmta.ch) form an integral part of these regulations:

- (a) the Share Tokenization Standard ;
- (b) the application form for use of the Certification Mark (the “**Application Form**”);

1 RS 232.11

- (c) the guidelines for the practical aspects of the use of the Certification Mark, including size, colours and background attributes (the “**Guidelines**”); and
- (d) the list of user fees and charges (the “**Fee Schedule**” and, together with the other documents referred to in this Section 3, the “**Terms of Use**”).

4. **USE OF THE CERTIFICATION MARK**

The Certification Mark can be used by any stock corporation (*Aktiengesellschaft*, *Société anonyme*) or partnership limited by shares (*Kommanditaktiengesellschaft*, *société en commandite par actions*) that issues shares in the form of ledger-based securities within the meaning of Article 973d CO and that complies with these regulations. Such use is subject to (i) prior authorization from the Supervisory Body (Article 5), (ii) the obligation to comply with the Terms of Use throughout the Authorization Period (as defined in Article 6) and (iii) the obligation to perform certain controls (Article 7).

Only authorized users have the right to use the Certification Mark. The right to use the Certification Mark and the rights deriving from it are not transferable, either in whole or in part. Authorized users may not authorize a third party to use the Certification Mark in any way whatsoever without the prior written consent of the Supervisory Body.

The use of the Certification Mark is authorized solely for the shares for which an authorization has been obtained (the “**Authorized Shares**”). Users must refrain from using the Certification Mark with regard to any securities (even of the same issuer and of the same class) other than the Authorized Shares. A separate authorization must be obtained in case of issuance of additional shares in the form of ledger-based securities.

5. **AUTHORIZATION PROCESS**

The process for obtaining the authorization to use the Certification Mark consists of the following steps:

- (a) The company wishing to use the Certification Mark for certain shares (the “**Applicant**”) must apply by completing and sending the Application Form to the email address admin@cmta.ch. The Application Form includes information about the Applicant, the shares for which the right to use the Certification Mark is requested, the version of the smart contract the Applicant envisages to use, a commitment to respect the Terms of Use and an acknowledgement of the liability disclaimer set forth in Article 11. The Application Form also mentions the law firm or notary office chosen by the Applicant from the list of lawyers and notaries recognized by the CMTA (the “**Legal Expert**”) as well as the technology service provider recognized by the CMTA in charge of the deployment of the smart contract (the “**Service Provider**”). The Application Form must be accompanied by a confirmation from the chosen Legal Expert that it agrees to act as a Legal Expert in accordance with these regulations. In addition, the Applicant must pay the fee for submitting the application set forth in the Fee Schedule (the “**Application Fee**”).
- (b) Upon receipt of a duly completed Application Form, a confirmation from the chosen Legal Expert and the Application Fee, the Supervisory Body will acknowledge receipt of the application for authorization. It will confirm to the Applicant that it accepts the chosen Legal Expert and the Service Provider or, if either of them is not a person or entity recognized as such by the CMTA, will invite the Applicant to cause the chosen Legal Expert or Service Provider to obtain the necessary recognition or designate another Legal Expert or Service

Provider.

- (c) The Legal Expert will provide a written opinion to the Supervisory Body (the “**Opinion**”) in the format contemplated in the annex to these regulations, or in a similar format approved by the CMTA. The Service Provider will provide a written confirmation to the Applicant that the CMTAT or another smart contract recognized by the CMTA has been duly deployed on the corresponding distributed ledger (the “**Deployment Confirmation**”). The Supervisory Body may at its discretion request additional information from the Applicant, the Legal Expert or the Service Provider.
- (d) Once the Opinion and the Deployment Confirmation will have been received and the Supervisory Body will have determined that all conditions for the use of the Certification Mark with respect to the relevant shares have been satisfied (including that the fee mentioned in the Fee Schedule for the right to use the Certification Mark during the Authorization Period (the “**Usage Fee**”) has been paid), the Supervisory Body will authorize the Applicant to use the Certification Mark for the Authorized Shares. The Supervisory Body may make its authorization subject to conditions and define the date as of which the authorization becomes effective and the Certification Mark may be used with respect to the Authorized Shares (the “**Effective Date**”).
- (e) The Supervisory Body will publish the name of the Applicant and the authorization given in the register of users provided for in Article 9. Unless required by law or due process, the Opinion and the Deployment Confirmation will not be published.
- (f) If the Supervisory Body considers that the Opinion or the Deployment Confirmation does not meet the requirements of these regulations, if the Applicant, the Legal Expert or the Service Provider does not provide any requested additional information or if the Supervisory Body determines at its discretion that not all conditions for the use of the Certification Mark with respect to the relevant shares have been satisfied, the Supervisory Body will inform the Applicant thereof, setting a time limit to remedy the deficiencies observed. If the deficiencies are not remedied within the set time limit, the Supervisory Body will reject the application and inform the Applicant thereof. The Application Fee will not be reimbursed in such case.

6. DURATION

The right to use the Certification Mark arises as of the Effective Date.

Except under exceptional circumstances, the authorization to use the Certification Mark will be granted for a period ending on 31 December of the year that follows the date of grant (the “**Authorization Period**”).

At least three months before the end of the Authorization Period, the Supervisory Body may ask users to indicate whether they wish to continue using the Certification Mark beyond the Authorization Period. In the absence of a response within 30 days or such longer period as the Supervisory Body may determine, the user will be deemed to have renounced the use of the Certification Mark beyond the Authorization Period. If the user has indicated within the applicable deadline that it wishes to continue using the Certification Mark for another Authorization Period of twelve months (or, under exceptional circumstances, as may be determined by the Supervisory Body, for another period), the user will pay the Usage Fee for the new Authorization Period at least 30 days before the first day of the new Authorization Period.

Unless the use of the Certification Mark is renewed in accordance with the preceding paragraph, the right to use the Certification Mark will terminate at the end of the current Authorization Period.

In any case, the right to use the Certification Mark will terminate (i) when the user confirms to the CMTA that it has renounced the use of the Certification Mark, (ii) if the Terms of Use of the Certification Mark are no longer satisfied, or (iii) if the Supervisory Body revokes the authorization to use the Certification Mark in accordance with Article 10(b).

7. CONTROL

The user of the Certification Mark must comply with the Terms of Use at all times. The Supervisory Body may at any time request a user to confirm in writing that these regulations have been complied with. It may also at any time request the user to provide access to documents, information, persons and premises as the Supervisory Body may reasonably request in order to assess compliance or investigate potential instances of non-compliance with the Terms of Use. If a user becomes aware that the Terms of Use are not being complied with, it must inform the Supervisory Body immediately.

8. FEES AND CHARGES

The authorization process is subject to an Application Fee and the use of the Certification Mark is subject to a Usage Fee, each in accordance with the Fee Schedule.

Usage Fees are payable in advance for the relevant Authorization Period, as further detailed in these regulations.

9. REGISTER OF USERS

The CMTA keeps a public register in which it records the companies that are authorized to use the Certification Mark and the authorizations that have been granted in this respect. The register can be consulted on the CMTA website or in other manners that the CMTA considers appropriate.

10. PENALTY FOR VIOLATION OF THE TERMS OF USE

In case of violation of the Terms of Use or insufficient cooperation with an inspection carried out in accordance with Article 7, the Supervisory Body may at its discretion impose the following sanctions:

- (a) a warning to the user, with or without a deadline for remedying the deficiencies observed;
- (b) temporary suspension or permanent withdrawal of the authorization to use the Certification Mark;
- (c) in case of serious or repeated violation, a contractual penalty of CHF 1,000 to CHF 10,000 per violation; and/or
- (d) in case of serious or repeated violation, the permanent ineligibility of the user to apply for the right to use the Certification Mark.

To determine the appropriate sanction, the Supervisory Body will take into account the seriousness of the violation, any previous violations committed by the same user, the degree of fault and the damage that the violation is likely to cause to the public's trust in the Certification Mark. A summary of the reasoning behind the decision will be provided upon request to the user of the Certification Mark.

In case of a temporary suspension of an authorization to use the Certification Mark, the Authorization Period will not be extended.

The Supervisory Body can publish its decision to impose a sanction, including the name of the relevant user, on the CMTA's website or in any other way it deems appropriate.

Sanctions pronounced in accordance with this Article 10 are without prejudice to any other rights or claims that CMTA may have against the relevant users or third parties.

11. DISCLAIMER AND INDEMNIFICATION

The rules that govern ledger-based securities were adopted in 2020 and became effective in 2021. As of the date hereof, there are no court precedents or other official guidance as to how these rules are to be applied or interpreted. There is no guarantee that the validity or due issuance of Authorized Shares as ledger-based securities will be upheld by courts. Likewise, there is no guarantee that the CMTAT is free from coding errors or vulnerabilities or that it is fit for the purpose of creating ledger-based securities in accordance with the Share Tokenization Standard or otherwise.

Under no circumstances and under no legal theory, whether tort, contract, or otherwise, will the CMTA, the Legal Expert and the Service Provider and their respective members, members of governing bodies, employees, contractors or affiliates be liable to the Applicant or any third parties in relation to the matters set out or contemplated in the Terms of Use or otherwise related to the use of the Certification Mark or of the CMTAT. Without limitation to the generality of the foregoing, no person should rely on the use of the Certification Mark or of the CMTAT by anyone, even if such use has been authorized by the CMTA.

The Legal Expert and the Service Provider and their respective members, directors, officers, employees, contractors or affiliates shall not be liable to any person in relation to the matters set out or contemplated in these regulations or the Terms of Use or otherwise related to the use of the Certification Mark, except for (i) the Legal Expert's liability to the CMTA for the Opinion and (ii) the Service Provider's liability to the CMTA in connection with the deployment of the CMTAT or another smart contract on the corresponding distributed ledger or the Deployment Confirmation. Any liability based on contractual arrangements between and among the Applicant, the Legal Expert and/or the Service Provider shall remain unaffected by this disclaimer.

12. CHANGES TO THESE REGULATIONS AND THE OTHER TERMS OF USE

The CMTA may amend these regulations and the other Terms of Use at any time at its discretion. Amendments will take effect when published on CMTA's website. For users who have obtained an authorization to use the Certification Mark prior to such (if any) amendment, the amended regulations or Terms of Use will take effect at the end of the Authorization Period during which the amendments have been made. In any case, amendments that are requested or ordered by the Swiss Intellectual Property Office or a competent court shall take effect for all users on the date the relevant amended regulations are registered in the Swiss Trademark Register.

13. APPLICABLE LAW AND JURISDICTION

These regulations and the other Terms of Use are governed by Swiss law.

The courts of the canton of Geneva, will have exclusive jurisdiction over any dispute arising from or in connection with the application of these regulations and the other Terms of Use, including over disputes relating to liability or indemnification pursuant to Article 11.

14. LANGUAGE

These regulations and the other Terms of Use are available in more than one language. In case of inconsistencies between the versions, the French version will prevail, except for what regards the Share Tokenization Standard, for which the English version will prevail.

15. ADOPTION BY THE CMTA

These regulations were adopted by the Executive Committee on 24 November 2021.

ANNEX

Opinion Specimen

[Legal Expert's Header]

Capital Markets and Technology Association

Route de Chêne 30

CH-1208 Geneva

To the attention of the Secretariat

[Place], [Date]

Re: Opinion regarding shares of [name of relevant company] issued in the form of ledger-based securities

Ladies and Gentlemen,

As you have been informed, the undersigned acts as a recognized legal expert within the meaning of Article 5.1 of the "CMTA Tokenized Shares" Certification Mark Regulations of the Capital Markets and Technology Association (the "CMTA"), in its version dated [date] (the "CMTA Certification Mark Regulations") for [name of relevant company], a [stock corporation (*Aktiengesellschaft/société anonyme*) / partnership limited by shares (*Kommanditaktiengesellschaft / société en commandite par actions*)] having its registered office in [place] and registered in the commercial register of the canton of [place] under the reference number [Commercial registry number] (the "Company"). The undersigned confirms that his/her firm is on the list of law firms and notary offices recognized by the CMTA and that he/she is approved by the CMTA for issuing this opinion.

The undersigned confirms the following:

I. Reviewed documents

For the purpose of this opinion, we have obtained a copy of and examined the following documents (the "Documents")²:

- (i) the Standard for the tokenization of shares of Swiss corporations using the distributed ledger technology, as adopted by the CMTA on [date] (the "Share Tokenization Standard");
- (ii) the CMTA Certification Mark Regulations, and the other terms of use of the certification mark "CMTA. Tokenized.Shares" referred to therein (the "Terms of Use");
- (iii) the list of service providers recognized by the CMTA, in its version dated [date] (the "List of Recognized Service Providers");
- (iv) a copy of the articles of association of the Company as of [date] (the "Articles"), evidencing the issuance of the shares for which the permission to use the Certification Mark is being requested (the "Tokenized Shares");
- (v) an extract of the commercial register of the canton of [place], certified to be true and established as of [date], and evidencing the issuance of the Tokenized Shares (the "Register Extract");

² If certain documents are not available when the opinion is issued, the right to use the Certification Mark will be conditioned by the delivery of a second opinion confirming the existence and review of the relevant documents.

- (vi) a copy of the tokenization regulations and information document of the Company dated [date] (the “**Tokenization Regulations and Information Document**”) and available at the internet address [•];
- (vii) a copy of [the executed minutes of a meeting of the board of directors of the Company (the “**Minutes**”) that was held on [date] / a resolution of the board of directors of the Company adopted in the form of a written consent to a proposal dated [date]] pursuant to which the board of directors of the Company has (a) resolved that [number] registered shares having a par value of CHF [•] each of the Company will be issued as ledger-based securities within the meaning of Article 973d CO, to be created by means of the smart contract CMTAT for [Ethereum] in its version [1.0] dated [5 October 2021]³ (the “**Smart Contract**”) and recorded in the [Ethereum] distributed ledger (the “**Distributed Ledger**”), (b) approved the Tokenization Regulations and Information Document, and (c) authorized the publication of the Tokenization Regulations and Information Document, the deployment of the Smart Contract on the Distributed Ledger and the transfer of digital tokens created by means of the Smart Contract and evidencing the Tokenized Shares on the distributed ledger address(es) provided by the owners of the relevant Tokenized Shares (the “**Board Resolutions**”);
- (viii) a written confirmation issued by [name of CMTA-approved service provider] (the “**Service Provider**”) (such written confirmation the “**Deployment Confirmation**”); and
- (ix) any other useful or necessary documents for the preparation of this confirmation.

The Articles, the Register Extract, the Tokenization Regulations and Information Document, the Board Resolutions and the Deployment Confirmation are referred to below as the “**Corporate Documents**”.

II. Assumptions

For the purpose of this opinion, the undersigned has assumed the following without independent verification:

- (i) the genuineness of all Corporate Documents and of the signatures upon them;
- (ii) the completeness and accuracy of all Corporate Documents submitted in physical or electronic format;
- (iii) the conformity to the originals of all Corporate Documents submitted as copies;
- (iv) the reality of the facts evidenced by the Corporate Documents;
- (v) that no changes have been made to the Articles and the Register Extract as of the date hereof;
- (vi) [that the Minutes were drawn up after a validly convened meeting of the board of directors held in accordance with the requirements of the Articles, the Company’s organizational regulations and the Swiss Code of Obligations];
- (vii) that the Board Resolutions have not been amended or revoked after their adoption and have remained in force in the form in which they were originally adopted; and
- (viii) the absence of factual circumstances of which the undersigned are unaware and which would affect the validity of the opinions given below.

III. Opinion

Based on the Documents mentioned under I above and the assumptions set forth under II above, and subject to the qualifications set forth under IV below, we are of the opinion that:

- (i) The Company is a [stock corporation (*Aktiengesellschaft, Société anonyme*) / Partnership limited by

³ *Alternative: “created by means of the smart contract based on the CMTAT for [Ethereum] and approved by the Expert Committee of the CMTA on [date]”.*

shares (*Kommanditaktiengesellschaft, société en commandite par actions*)] duly incorporated and validly existing under Swiss law with all requisite corporate power and authority to issue shares in the form of ledger-based securities within the meaning of Article 793d CO.

- (ii) The Tokenization Regulations and Information Document has been duly authorized by the Company and do not violate (a) any mandatory provisions of Swiss corporate law or (b) any provision of the Articles.
- (iii) The board of directors of the Company has approved the issuance of ledger-based securities within the meaning of Article 973d CO in relation to [number] registered shares of the Company having a par value of CHF [•] each (the “**Tokenized Shares**”), which issuance is to be implemented by means of the smart contract CMTAT for [Ethereum] in its version [1.0] dated [5 October 2021]⁴ and to be recorded in the [Ethereum] distributed ledger.
- (iv) The Tokenized Shares have been validly issued, are fully paid as to their par value and are non-assessable, as reflected in the Register Extract.
- (v) The Articles, the Tokenization Regulations and Information Document and the Board Resolutions comply with the requirements and follow the recommendations set forth in § 3 of the Share Tokenization Standard as far as the Tokenized Shares are concerned.
- (vi) The Service Provider has confirmed in writing to the Company that (i) the Service Provider has duly deployed the Smart Contract on the Distributed Ledger on behalf of the Company, (ii) the Smart Contract contains a URL link to the Tokenization Regulations and Information Document and (iii) the Service Provider has allocated or caused to be allocated on the ledger address(es) that were provided to it by the Company the number of digital tokens that it was instructed by the Company to allocate to each such ledger address(es).

IV. Qualifications

This opinion is subject to the following qualifications:

- (a) This opinion is limited to Swiss law. We have abstained from examining any issues of any other jurisdiction and therefore no opinion on matters other than Swiss law is to be inferred from this opinion.
- (b) In this opinion, Swiss legal concepts are expressed in the English language and not in their original language. These concepts may not be identical to the concepts described by the same English language terms as they exist under the laws of other jurisdictions.
- (c) This opinion is based on the current provisions of the laws of Switzerland and the regulations thereunder in effect on the date hereof and as currently interpreted in Switzerland. Such laws and their interpretation are subject to change.
- (d) This opinion is confined to the matters stated herein and is not to be read as extending, by implication or otherwise, to any other matter.

This opinion is rendered solely to the CMTA for the purposes of authorizing the Company to use the certification mark CMTA.Tokenized.Shares. It may not be used, circulated, quoted, referred to or relied upon by any person other than the CMTA nor for any other purpose without our prior written consent. Notwithstanding the foregoing, this opinion may be disclosed without such consent (i) to the corporate bodies, employees, contractors or auditors of the CMTA, or (ii) in the context of any enquiry or litigation

⁴ *Alternative*: “created by means of the smart contract based on the CMTAT for [Ethereum] and approved by the Expert Committee of the CMTA on [date]”.

involving the CMTA or its corporate bodies, employees or contractors relating to the proper implementation of the Share Tokenization Standard or the Terms of Use, in each case, on the basis that such disclosure is made solely to enable any such person to be informed that an opinion has been given and to be made aware of its terms, but not for the purpose of reliance by such person.

This opinion and any rights and obligations arising from it are governed exclusively by substantive Swiss law.

Yours sincerely,

[Signature]