

Directive on Recognised Representation

(Directive Recognised Representation, DRR)

Dated [Validity.From]
Basis Art. 43 and 58a LR

I. GENERAL PROVISIONS

*Art. 1
Object*

This Directive governs the concept of recognised representation, and in particular the registration as a recognised representation and as a competent specialist, the rights and obligations associated with the registration, the disciplinary measures, the recognised representation's Register, and the deregistration as a recognised representation or competent specialist.

*Art. 2
Definitions*

The following definitions apply in the context of this Directive:

1. *recognised representation*: An enterprise which fulfils the requirements set out in this Directive, has in particular employed at least one competent specialist, and which is registered with SIX Exchange Regulation as a recognised representation.
2. *competent specialist*: A natural person who has the necessary specialist expertise and experience in connection with the listing of securities on SIX Swiss Exchange Ltd ("SIX Swiss Exchange") and who is registered with SIX Exchange Regulation as a competent specialist.

*Art. 3
Scope of applicability*

This Directive applies to the legal relationship between the regulatory bodies of SIX Swiss Exchange and the recognised representation, as well as the competent specialist concerned.

*Art. 4
General procedural
principles*

¹ The recognised representation must complete its assigned tasks vis-à-vis SIX Exchange Regulation through competent specialist(s).

² The recognised representation and/or competent specialist participating in proceedings are with regard to their activity under an obligation to cooperate with SIX Exchange Regulation. To this end, SIX Exchange Regulation may require the parties concerned to hand over relevant documentation and information.

II. REGISTRATION

A. REQUIREMENTS FOR REGISTRATION AS RECOGNISED REPRESENTATION

*Art. 5
Requirements for
registration as a
recognised
representation*

The following points must be addressed and fulfilled in view of a registration as recognised representation:

1. information on the enterprise, specifically its (company) name, address, and area of operation;
2. availability of the required competence;
3. submission of the "Declaration of Consent of a Recognised Representation". With the "Declaration of Consent of a Recognised Representation", the enterprise which is to be registered as a recognised representation confirms that it has read and acknowledges the Listing Rules, with their Additional Rules and the corresponding implementing provisions, as well as the Rules of Procedure and sanction regulations of SIX Swiss Exchange, and that it expressly recognises the present Directive Recognised Representation and the Rules of Procedure. The enterprise that is to be registered as a recognised representation further recognises that continued registration is conditional upon its agreeing to be bound by the version of the rules and regulations that is in force at any given time;
4. nomination of a contact person who is responsible to SIX Exchange Regulation for matters concerning the legal relationship of the recognised representation. The contact person must be a competent specialist.

*Art. 6
Application*

¹ Registration as a recognised representation is subject to a duly signed application from the enterprise concerned. The application must be submitted to SIX Exchange Regulation.

² The application must contain information on the requirements set out in Art. 5. The application must also state which individuals are to be recognised as competent specialists (see Arts. 7 and 8) and who is nominated as the contact person described in Art. 5 point 4.

³ The application must be accompanied by an original "Declaration of Consent of a Recognised Representation" that is duly signed by the recognised representation. The right to require further documentation and evidence remains reserved.

B. REQUIREMENTS FOR REGISTRATION AS COMPETENT SPECIALIST

Art. 7 Requirements for registration as a competent specialist

A natural person must fulfil the following requirements to be recognised as a competent specialist:

1. specialist expertise: training and experience in connection with the listing of securities on SIX Swiss Exchange, so that the person is able to support a transaction on SIX Swiss Exchange. In this connection, SIX Exchange Regulation may demand that certain evidence be supplied.
2. submission of the "Declaration of Consent of a Competent Specialist". With the "Declaration of Consent of a Competent Specialist", the person who is to be registered as a competent specialist confirms that he/she has read and acknowledges the Listing Rules, with their Additional Rules and the corresponding implementing provisions, as well as the Rules of Procedure and sanction regulations of SIX Swiss Exchange, and that he/she expressly recognises the present Directive Recognised Representation and the Rules of Procedure. The person who is to be registered as a competent specialist further recognises that continued registration is conditional upon agreeing to be bound by the version of the rules and regulations that is in force at any given time.

Art. 8 Application

¹ Registration as a competent specialist is subject to a duly signed application from the recognised representation concerned. The application must be submitted to SIX Exchange Regulation.

² The application must contain information and statements on the requirements set out in Art. 7. Specifically, the application must set out:

1. the financial market transactions in which the person who is to be registered has been involved in the past three years, and the capacity in which he/she was involved;
2. why the person should be recognised as a competent specialist and for which of the following product areas:
 - a. shares (incl. participation certificates and profit-sharing certificates), as well as global depository receipts;
 - b. collective investment schemes;
 - c. bonds;
 - d. derivatives;
 - e. exchange-traded products (ETPs);
3. how long the person who is to be registered as competent specialist has been working for the recognised representation.

³ The application must be accompanied by an original "Declaration of Consent of a Competent Specialist" that is signed by the person who is to be registered as a competent specialist. The right to require further documentation and evidence remains reserved.

C. REGISTRATION PROCEDURE

*Art. 9
Review* SIX Exchange Regulation will review the application on the basis of the documents that have been submitted.

*Art. 10
Decision* ¹ SIX Exchange Regulation will approve the application for registration as a recognised representation or for registration as a competent specialist if the requirements determined by the present Directive are fulfilled. Approval may be subject to further requirements or conditions.

² The decision of SIX Exchange Regulation will be communicated in writing.

*Art. 11
Appeal* The recognised representation has ten trading days from service of the decision in which to lodge an appeal with the Regulatory Board against a decision by SIX Exchange Regulation concerning registration as a recognised representation or as a competent specialist. The appeal must be substantiated.

*Art. 12
Registration* ¹ Entries in the register (registration) will be made once the decision enters into legal force.

² Registration as a competent specialist gives the competent specialist in question the right to submit applications on behalf of the recognised representation in accordance with the rules and regulations of SIX Swiss Exchange.

III. RIGHTS AND OBLIGATIONS

*Art. 13
Obligations* ¹ Upon registration, the recognised representation must ensure that:

1. it continues to fulfil constantly the requirements set out in Art. 5, and the competent specialist(s) continue(s) to fulfil constantly the requirements set out in Art. 7.
2. the competent specialists acting on behalf of the recognised representation at all times exercise due care and act in good faith in their dealings with SIX Exchange Regulation.

3. the applications that are to be submitted by a recognised representation under the rules and regulations of SIX Swiss Exchange are duly signed by a competent specialist.
4. any changes concerning the following are reported immediately to SIX Exchange Regulation:
 - a. the enterprise (e.g. its (company) name or address);
 - b. the responsible contact person;
 - c. a competent specialist (e.g. the end of their employment contract).

² The obligations laid down in Art. 13 para. 1 must also be fulfilled, insofar as applicable, by a competent specialist.

Art. 14
Advertising/marketing

Registration as a recognised representation and/or competent specialist may not be used for intrusive advertising or marketing purposes.

IV. DISCIPLINARY PROCEEDINGS AND MEASURES

Art. 15
Disciplinary measures

Should there be any events or incidents in the context of the working relationship between SIX Exchange Regulation and the recognised representation and/or the competent specialist that constitute a breach of obligations and/or give reason to assume that the recognised representation and/or the competent specialist no longer fulfil the respective requirements for exercising their activities, SIX Exchange Regulation may take the disciplinary measures described in Art. 61 para. 1^{bis} LR.

Art. 16
Disciplinary proceedings

¹ The provisions of the Rules of Procedures (RP) apply mutatis mutandis to disciplinary proceedings unless differing or additional rules are set out below.

² The public will not be informed of any disciplinary proceedings.

³ SIX Exchange Regulation will not conduct any formal preliminary investigation as part of disciplinary proceedings. The parties concerned continue to have the right to a legal hearing.

⁴ A disciplinary notice will be issued in place of a sanction notice. A proposal to the Regulatory Board will be made in place of a proposal to the Sanction Commission.

*Art. 17
Appeal*

A party concerned has ten trading days from service of the disciplinary notice to lodge an appeal with the Regulatory Board against the ordering of disciplinary measures by SIX Exchange Regulation. The appeal must be substantiated.

V. REGISTER

*Art. 18
Register*

¹ SIX Exchange Regulation maintains a register of recognised representations and competent specialists.

² SIX Exchange Regulation has the right to publish the recognised representation, along with the competent specialists, on its website.

VI. DEREGISTRATION

*Art. 19
By notice*

¹ If a recognised representation or competent specialist wishes to be deregistered, they must submit notice to this effect to SIX Exchange Regulation.

² Once it has received the notice in question, SIX Exchange Regulation will remove the recognised representation or competent specialist from the register in accordance with Art. 18 (deregistration).

³ Where a competent specialist is concerned, notice of the end of their employment contract with a recognised representation will result in the deregistration of the competent specialist.

⁴ A deregistration of the recognised representation results in the deregistration of all of the competent specialists associated with it.

*Art. 20
Owing to disciplinary
measures*

If registration is withdrawn in the context of disciplinary proceedings, the recognised representation and/or competent specialist(s) will be deregistered once the decision enters into legal force.

VII. FINAL PROVISIONS

*Art. 21
Fees*

The recognised representation undertakes to pay the fees incurred in each case in accordance with the List of Charges.

Art. 22
Entry into force

This Directive enters into force on [Datum] and replaces the Directive on the Recognition as Competent Issuers and Representatives of 1 October 2010.

Art. 23
Transitional provision

The following applies to those recognised in accordance with the Directive on the Recognition as Competent Issuers and Representatives of 1 October 2010:

- competent issuers and representatives, i.e. enterprises as described in Art. 2 para. 1, have 12 months from the entry into force of this Directive to supply the duly signed "Declaration of Consent of a Recognised Representation";
- employees with signing authority have 12 months from the entry into force of this Directive to supply the duly signed "Declaration of Consent of a Competent Specialist".