

ADMISSION BOARD COMMUNIQUÉ NO. 8/2006 OF 20 NOVEMBER 2006

New SWX Swiss Exchange Rules of Procedure (RP)

Decision of the Admission Board: 29 March 2006

Resolution of the Board of Directors: 25 August 2006

Entry into force: 1 January 2007

I. NEW SWX SWISS EXCHANGE RULES OF PROCEDURE

The SWX Swiss Exchange now has **standard Rules of Procedure governing investigations and sanctions** which apply in the case of breaches of the Listing Rules and Additional Rules and the General Conditions of the SWX Swiss Exchange by issuers, participants and traders. The creation of written rules of procedure that apply to all areas of supervision will **improve legal certainty** and **speed up proceedings**. It will also result in the principle of **separation of powers** being applied more stringently. To this end, the Admission Board will pass the judicial power that it currently holds to a Sanction Commission. The monitoring of compliance with the conditions for listing, and the initiation of the corresponding proceedings, will be assigned to the Admission Division. The present Disciplinary Commission will be absorbed into the new and extended **Sanction Commission**.

II. THE KEY CHANGES

The new Rules of Procedure will mean the following major changes for those involved in investigation or sanction proceedings:

- New, written Rules of Procedure now apply to investigation and sanction proceedings involving participants, traders and issuers. In the case of participants and traders, the Rules of Procedure draw heavily on the current practices of Surveillance & Enforcement and the Disciplinary Commission. The new Rules of Procedure will significantly improve legal certainty for the parties concerned.
- New instruments (sanction notices, agreements) are being introduced in the interests of bringing about a conclusion to proceedings, while other, inherited provisions (e.g. recess) are being abolished. This should help to speed up proceedings. Findings made in connection with earlier proceedings have been taken into consideration, resulting in the introduction of new principles for the conduct of proceedings (e.g. the admission of new facts).
- The judicial powers of the Admission Board, which delegated the same to its Committee, are being revoked. This improves the separation of powers. Proceedings will also be speeded up by the elimination of one of the bodies involved. The monitoring of compliance with the conditions for listing, and thus the initiation of the corresponding proceedings, is being assigned to the Admission Division.

- The newly established Sanction Commission will replace the present three-strong Disciplinary Commission. The Sanction Commission will comprise seven members. The Chairman of the Sanction Commission and half of its other members will be elected by the Admission Board, with the remaining members appointed by the Board of Directors of the SWX .

III. ENTRY INTO FORCE

These new Rules of Procedure enter into force on **1 January 2007**, as do the attendant amendments to the Listing Rules, various Additional Rules and Directives and the General Conditions of the SWX Swiss Exchange.

The SWX Swiss Exchange Rules of Procedure and the aforementioned amendments to the rules and regulations concerning listing will be supplied with the next round of updates to the "Admission of Securities" handbook.

Furthermore, the Rules of Procedure themselves, as well as the names of the members of the Sanction Commission, are available on the Internet immediately in English, German and French. Please consult the following URLs:

http://www.swx.com/download/admission/regulation/rules/rules_of_procedure_en.pdf

and

http://www.swx.com/download/admission/board/sanction_commission_en.pdf

With regard to the corresponding amendments to the General Conditions of the SWX Swiss Exchange, please consult SWX Message No. 75/2006 of 20 November 2006, entitled "New SWX Swiss Exchange Rules of Procedure (RP)". This Message has been sent to all SWX participants and can also be accessed via Internet at:

http://www.swx.com/information/swx_messages/swx_messages_2006_en.html

Admission Board Communiqués are available on the Internet in English, German and French at http://www.swx.com/admission/regulation/messages/2006_en.html