



# **21X | DLT-Trading and Settlement System**

## **RULEBOOK**

21X AG  
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Germany

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## 1. GENERAL

### 1.1. DEFINITIONS AND INTERPRETATIONS

For purposes of this Rulebook (“**Rulebook**”) and the Rules set forth therein, the following capitalised terms shall, unless specifically provided otherwise, have the following meanings:

21X AG	A company organized under German laws operating the 21X DLT-TSS as defined in Rule 1.2;
21X DLT-TSS	The DLT-TSS that combines the services of the 21X DLT-MTF and the 21X DLT-SS operated by the 21X AG;
Admission Process	As defined in Rule 2.1 (ADMISSION PROCESS);
Listing Sponsor	A company or any other legal entity that has been granted an accreditation to act as a Listing Sponsor by 21X AG (and whose accreditation has not been withdrawn) and whose obligations include (without limitation) assisting Issuers with the admission to trading (including conducting due diligence investigations) and, where relevant, ensuring (on an ongoing basis) that Issuers comply with the legal and regulatory requirements and contractual obligations resulting from the admission to trading.
Listing Sponsor Rules	The rules setting out, inter alia, the eligibility requirements to act as a Listing Sponsor and the rules and regulations governing Listing Sponsors under APPENDIX II   LISTING SPONSORS of this Rulebook;
Admission to Trading Committee	21X AG’s decision body for admission or non-admission of DLT Financial Instruments to trading.
AIFM	Alternative Investment Fund Manager as defined in point b of Art. 4(1) of the Directive 2011/61/EU;
Algorithmic Trading	Means algorithmic trading as defined in article 4(1), point 39 MIFID II, i.e. trading in financial instruments where a computer algorithm automatically determines individual parameters of Orders such as whether to initiate the Order, the timing, price or quantity of the Order or how to manage the Order after its submission, with limited or no human intervention, and does not include any system that is only used for the purpose of routing Orders to one or more trading venues or for the processing of Orders involving no determination of any trading parameters or for the confirmation of Orders or the post-trade processing of executed transactions;
Applicable Regulations	Any applicable law, regulation, or directive with respect to any legal entity or natural person that are applicable in any relevant jurisdiction, including any rule, requirement, order, notice or guideline of any Regulatory Authority, market rules and judgments, orders and rulings of any governmental authority or self-regulatory organisation, authority, agency, court, or body, applicable to such Person;

BaFin	The German Federal Financial Supervisory Authority ( <i>Bundesanstalt für Finanzdienstleistungsaufsicht</i> );
bps	Basis points, i.e., 1/100th of a percentage point;
Beneficial Owner	In the sense of Section 3 of the German Money Laundering Act ( <i>Geldwäschegesetz</i> ). Any natural person(s) who ultimately owns or controls the Issuer or Participant/or the natural person(s) on whose behalf a transaction or activity is being conducted. A natural person with a direct or indirect shareholding or an ownership interest of more than 25 % in the Issuer or Participant/or the natural person(s) on whose behalf a transaction or activity is being conducted qualifies as a Beneficial Owner;
Blockchain	Distributed ledger that records transactions decentralized with confirmed blocks organized in an append-only, sequential chain using cryptographic links;
Business Day	The days from Mondays to Fridays on which the 21X DLT-TSS is open for trading and settlement excluding public holidays of Germany and the State of Hesse;
CLOB	Central Limit Order Book;
Chain-Reorg	A chain reorganization, also referred to as "chain-reorg," happens when Blockchain node operators replace some blocks with new ones in order to make room for a longer chain. A chain-reorg results in a block being removed from the Blockchain since a longer chain has been created;
Competent Authority	BaFin, the European Securities and Markets Authority, any authority designated by a member state of the European Union in accordance with Art. 67 MiFID II and any other relevant regulatory or competent authority, government (or political subdivision), agency, court, commission or entity (whether governmental or non-governmental) having jurisdiction over 21X AG or the trading or settlement of, or Participants engaged in the trading or settlement of, DLT Financial Instruments available on the 21X DLT-TSS;
Corporate Action	An Issuer's action concerning the rights certificated in a DLT Financial Instrument which will be performed by 21X AG either without the Participant's separate instruction ("compulsory corporate action") or solely upon the Participant's separate instruction ("voluntary corporate action", e.g., execution of subscription, option, or conversion rights);
Crypto-Securities Registrar	A financial services institution or investment firm with a license to operate a Crypto-Securities Register in the sense of Sec. 16 eWpG.
Default Management Policy	Policy outlining how 21X manages defaults of a Participant, implementing rules and procedures, in accordance with Art. 41 (1) of the Regulation (EU) No. 909/2014 to mitigate risks arising from the default of a Participant
Direct Electronic Access	An arrangement which allows a third party to send Orders to 21X DLT-TSS using the Participant's trading code with the use of a Participant's

	infrastructure or connecting system, as defined in Art. 4(1) point (41) of MiFID II;
Direct Market Access	An arrangement involving the use by a third party of the infrastructure of a Participant, or any connecting system provided by the Participant, to transmit Orders to 21X DLT-TSS using the Participant's trading code. This will include, but is not limited to, direct market access as defined in Art. 4(1) point (41) of MiFID II;
Distributed Ledger Technology	Technology that enables the operation and use of distributed ledgers;
Distributed Ledger	Information repository that keeps records of transactions and that is shared across, and synchronized between, a set of DLT network nodes using a consensus mechanism. Consensus mechanism means the rules and procedures by which an agreement is reached, among DLT network nodes, that a transaction is validated. DLT network node means a device or process that is part of a network and that holds a complete or partial replica of records of all transactions on a distributed ledger;
DLT	Distributed Ledger Technology;
DLT Bonds	DLT Financial Instruments classified as bonds, corporate bonds, other forms of securitised debt, including depositary receipts in respect of such securities, or money market instruments;
DLT Financial Instrument	A financial instrument in the sense of Art. 2(11) DLTR that is issued, recorded, transferred, and stored using distributed ledger technology: DLT Financial Instruments include DLT Bonds, DLT Shares and DLT UCITS;
DLT-MTF	DLT multilateral trading facility in the sense of Art. 2(6) DLTR which means a multilateral trading facility that only admits to trading DLT Financial Instruments;
DLTR	Regulation (EU) 2022/858 of the European Parliament and of the Council of 30 May 2022 on a pilot regime for market infrastructures based on distributed ledger technology (DLT Pilot Regime);
DLT Shares	DLT Financial Instruments classified as shares, i.e., any transferable instrument representing equity including, without limitation, shares, depositary receipts, global depositary receipts, global depository, and any other transferable financial instruments equivalent to shares;
DLT-SS	DLT settlement system in the sense of Art. 2(7) DLTR which means a settlement system that settles transactions in DLT Financial Instruments against payment or against delivery, irrespective of whether that settlement system has been designated and notified in accordance with Directive 98/26/EC, and that allows the initial recording of DLT Financial Instruments or allows the provision of safekeeping services in relation to DLT Financial Instruments;

DLT UCITS	DLT Financial Instruments classified as units in collective investment undertakings covered by Article 25(4), point (a)(iv) MiFID II for collective investment in transferable financial instruments;
DLT-TSS	DLT trading and settlement system in the sense of Art. 2(10) DLTR means a DLT MTF or DLT SS that combines services performed by a DLT MTF and a DLT SS;
Emergency	Any occurrence or circumstance that, in the opinion of 21X AG, requires immediate action and threatens or may threaten the fair and orderly trading in any DLT Financial Instrument, the liquidation or delivery of any DLT Financial Instrument or the timely collection and payment of funds in connection with clearing and settlement, including: (i) any circumstances which may materially affect the performance of DLT Financial Instruments, including failure of the payment system or the bankruptcy or insolvency of any Participant; (ii) any action taken by any Competent Authority, or any other market or facility which may have a direct impact on trading or clearing and settlement; (iii) at the request of BaFin; and (iv) any other circumstance which may have a severe, adverse effect upon the functioning of 21X DLT-TSS.
EMIR	Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties, and trade repositories (European Market Infrastructure Regulation);
EMD 2	Directive 2009/110/EC of the European Parliament and of the Council of 16 September 2009 on the taking up, pursuit and prudential supervision of the business of electronic money institutions (E-Money Directive);
Electronic Money Institution (EMI)	Electronic money institution (EMI) as defined in Art. 2 point (1) of EMD 2 and Art. 3 (1) point (43) Regulation (EU) 2023/1114 (MiCAR) that has been granted authorisation to issue electronic money including E-Money Tokens (EMT);
E-Money Token (EMT)	A digital token that represents a specific amount of electronic money in the sense of Art. 2(2) EMD and Art. 3(7) MiCAR;
EU Sanction List	List containing the names and identification details of all persons, groups and entities targeted by financial restrictions, sanctions, or other measures that the European Union has applied in pursuit of the specific objectives of the Common Foreign and Security Policy (CFSP) as set out in the Treaty on European Union, to help prevent the financing of terrorism;
eWpG	German Electronic Securities Act of 3 June 2021, as amended;
Financial Instrument	Financial instrument as defined in Art. 4(1) point (15) of MiFID II (referring to those instruments specified in Section C of Annex I of MiFID II and including DLT-Financial Instruments);

High-frequency trading technique (HFT)	Means an algorithmic trading technique characterised by: (a) infrastructure intended to minimise network and other types of latencies, including at least one of the following facilities for algorithmic order entry: co-location, proximity hosting or high-speed direct electronic access; (b) system-determination of order initiation, generation, routing or execution without human intervention for individual trades or orders; and (c) high message intraday rates which constitute orders, quotes or cancellations.
Immediate Or Cancelled	Orders which are executed to the fullest extent possible either immediately upon entry with any remaining unexecuted portion being cancelled;
Immaterial Amendments	Amendments which do not affect main contract duties or profoundly change the contractual structure
Information Document	A document, such as a prospectus or securities information document or key information document, that is drawn up under the responsibility of the Issuer, or the person asking for admission to trading, and that contains, according to the particular nature of the transaction, of the Issuer and of the DLT Financial Instruments to be admitted to trading on the 21X DLT-TSS, information (e.g. regarding assets and liabilities, financial position, profit and losses, and prospects of the Issuer and any guarantor (if applicable), and of the rights attaching to such DLT Financial Instruments) enabling investors to make their investment decision. Responsibility for the information given in an Information Document, and any supplement thereto, attaches to at least the person's asking for admission to trading and the Issuer's administrative, management or supervisory bodies. The minimum content of the Information Document is set out in Appendix I of this Rulebook;
Insolvency	In respect of a Participant or Issuer: (i) that an order is made by a court of competent jurisdiction, or a resolution is passed, for the liquidation, bankruptcy or administration of the Participant or Issuer or a notice of appointment of a bankruptcy trustee or administrator of the Participant or Issuer is filed with a court of competent jurisdiction; (ii) the appointment of a manager, receiver, administrative receiver, administrator, liquidator, trustee or other similar officer of the Participant or Issuer or in respect of it or all or any part of its assets; (iii) the Participant or Issuer convenes a meeting of its creditors for the purpose of considering a proposal for a composition in satisfaction of the Participant's or Issuer's debts or a scheme of arrangement or analogous proceeding; (iv) the Participant or Issuer makes or proposes any arrangement, reorganisation or composition with, or any assignment for the benefit of, its creditors generally; (v) the Participant or Issuer is unable to pay its debts as they become due or admits In Writing its inability to pay its debts as they are due or is insolvent; (vi) a petition is presented for the winding up of the Participant or Issuer, provided that where the petition is presented by a person other than the Participant or Issuer, Insolvency shall not be deemed to have occurred due to the filing of a winding-up petition which is discharged, stayed or dismissed within 30 days of commencement; (vii) an attachment before judgment or execution

	is levied over all or any part of the Participant's or Issuer's property; (viii) a moratorium is agreed, declared or otherwise obtained in respect of or affecting all or any material part of the Participant's or Issuer's indebtedness; (ix) the Participant or Issuer is subject to the exercise of any measures pursuant to the German Act for the Stabilisation and Restructuring of Enterprises (Unternehmensstabilisierungs- und -restrukturierungsgesetz – StaRUG), sections 45 to 48u of the German Banking Act ( <i>Kreditwesengesetz</i> ), any applicable law implementing the provisions of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (including the German Act on the Recovery and Resolution of Institutions and Finance Groups ( <i>Gesetz zur Sanierung und Abwicklung von Instituten und Finanzgruppen – SAG</i> ) or Regulation (EU) 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund, the so called SRM Regulation); or (x) any action occurs in respect of the Participant or Issuer in any jurisdiction which is analogous to any of those set out in sub-paragraphs (i) through (ix);
In Writing	Means, unless explicitly set out otherwise, text form (Sec. 126b German Civil Code – BGB), including electronic mail;
ISO 27001	International standard for information security management systems;
Issuer	Legal entity which issues or proposes to issue DLT Financial Instruments and whose DLT Financial Instruments are admitted to trading or are traded on the 21X DLT-TSS or for which a request for admission to trading has been made;
Limit Order	Bid or ask Orders that can only be executed at their specified price limit or at a better price;
Liquidity Provider	Investment firm not pursuing any market making strategy as defined in Art. 17(4) and 48(2) of MIFID II, who assume the role of Liquidity Provider and provide liquidity at visible best bid or offer in Continuous Trading of pre-defined DLT Financial Instruments;
Lower Price Range	Reference price of a DLT Financial Instrument divided by the Price Collar Factor;
Market Abuse	Any behaviour which constitutes market abuse (as defined in Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation)), insider dealing, market manipulation;
Market Abuse Regime	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation), and Directive 2014/57/EU of the European Parliament and of the Council of 16 April 2014

	on criminal sanctions for market abuse as implemented by EU Regulations and/or Applicable Regulations;
Market Maker	Investment firm pursuing a market making strategy, when as a member or participant of one or more 21X DLT-TSSs, its strategy, when dealing on own account, involves posting firm, simultaneous two-way quotes of comparable size and at competitive prices relating to one or more DLT Financial Instruments on a single 21X DLT-TSS or across different 21X DLT-TSSs, with the result of providing liquidity on a regular and frequent basis to the overall market;
Market Order	An Order to buy or to sell a stated amount of a DLT Financial Instrument that is to be executed at the best price(s) obtainable when the Order reaches the Central Limit Order Book;
Market-to-Limit Orders	Bid or ask Orders which, in Continuous Trading are executed immediately at the best opposite price limit, with any remaining unexecuted portion being automatically transformed into a Limit Order at the last executed price and added to the Central Limit Order Book;
Material Amendments	Amendments which affect main contract duties or profoundly change the contractual structure
POL	Cryptocurrency token used as the primary currency on the Polygon network;
Maximum Order Value	The Order volume of a DLT Financial Instrument multiplied by the price limit for the Order;
Maximum Order Volume	The Maximum Order Value divided by the reference price for the DLT Financial Instrument;
MiCAR	Regulation (EU) 2023/1114 of the European Parliament and of the Council of 31 May 2023 on markets in crypto-assets (Markets in Crypto-assets Regulation);
MiFID II	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments (Markets in Financial Instruments Directive);
MiFIR	Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments;
Minimum-Quantity Orders	Orders which must be executed immediately to the extent of a specified minimum quantity, with any remaining unexecuted portion being added to the Central Limit Order Book; provided that such Orders shall be cancelled failing immediate execution of the specified minimum quantity;
MTF	Any multilateral trading facility within the scope of Art. 4(1), point 22 MIFID II;

Node	Device or computer connected to a blockchain network that helps to maintain and verify the network's transactions;
Non-Professional client	A client that is a natural person or a legal entity that does not qualify as a Professional Participant and/or a credit institution as defined in point (1) of Art. 4(1) of Regulation (EU) No 575/2013, a regulated investment firm as defined in point (1) of Art. 4(1) MiFID II, or a regulated capital management company as defined in point b of Art. 2(1) of the UCITS Directive 2009/65/EC or an AIFM as defined in point b of Art. 4(1) of the Directive 2011/61/EU based in the EU/EEA;
Notice	Any written communication, labelled Notice, issued by the 21X AG to Participants or Issuers generally or to any class of Participants or Issuers for the purpose of interpreting or implementing the Rules or any other purpose contemplated in this Rulebook;
Offeror	Legal entity or individual which offers DLT Financial Instruments to the public;
Order	A binding offer to buy or sell a certain quantity of a DLT Financial Instrument at an unlimited or limited price;
Participant	Participant is a legal entity or natural person participating on the 21X DLT-TSS using the trading and settlement system, including other DLT-TSS or DLT-SS;
Polygon	Layer-2 scaling solution for the Ethereum Blockchain which is used by 21X DLT-TSS;
Pre-Matching	Due to the possibility of Chain-Reorgs, 21X AG considers a transaction matched in the Order Book Smart Contract only as pre-matched to an indicative price and not finally matched;
Pre-Trade Controls	Predetermined volume and price thresholds as defined in the Pre-Trade Controls area of this Rulebook;
Private Placement	The following type of offers of DLT Financial Instruments to the public that are exempted from the obligation to publish a prospectus pursuant to articles 1(4) (a) to 1(4) (d) of Prospectus Regulation: i) an offer of DLT Financial Instruments addressed solely to qualified investors (within the meaning of article 2(e) of Prospectus Regulation); ii) an offer of DLT Financial Instruments addressed to fewer than 150 natural or legal persons per Member State, other than qualified investors (within the meaning of article 2(e) of Prospectus Regulation); iii) an offer of DLT Financial Instruments whose denomination per unit amounts to at least EUR 100 000 and iv) an offer of DLT Financial Instruments addressed to investors who acquire DLT Financial Instruments for a total consideration of at least EUR 100 000 per investor, for each separate offer;

Professional Participant Application Form	As defined in Rule 2.3 (Professional Participants);
Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market;
Public Offer	An offer of DLT Financial Instruments to the public pursuant to Prospectus Regulation other than a Private Placement;
Pure Market Orders	Any remaining unexecuted portion is being added to the Central Limit Order Book for execution as soon as possible at the next prices;
Quote	A quote is a limited Order to buy or sell (one-sided quote) or a pair of limited Orders to buy and sell (two-sided quote). Quotes are given by Market Makers and Liquidity Providers that operate according to the corresponding market or fee model;
Relationship Manager	Central contact person at operational level.
Recording System	The recording system is the Polygon network;
Responsible Person	Persons registered in the name of a Participant and all individuals trading under the general authority of such Responsible Persons;
Rules	The rules set forth in this Rulebook;
Settlement Finality	21X AG defines the moment of matching and settlement finality as the time when the Blockchain transaction including the Pre-Matching Order and Transfer Order is finally processed on the Polygon Blockchain. A transaction is deemed finally processed when the Polygon Blockchain displays updated balances in the respective DLT Financial Instruments and EMTs for the parties involved and 128 subsequent blocks (which takes approximately 256 seconds) to the block containing the Pre-Matching Order and Transfer Order in question have been added to the Polygon Blockchain;
Shares	Any Shares of capital stock or other equity DLT Financial Instruments issued by a corporation or other incorporated business enterprise;
Smart Contract	Self-executing computer program stored in a DLT system wherein the outcome of any execution of the program is recorded on the Distributed Ledger;
Sponsored Access	An arrangement which allows a third party to send Orders to 21X DLT-TSS using the Participant's trading code and that does not involve the use of a Participant's infrastructure or connecting system. This will include, but is not restricted to, sponsored access as defined in Art. 4(1) point (41) of MiFID II;

Steering Committee	An extraordinary escalation committee consisting of the respective Relationship Managers and representatives of the Parties' management.
Standard Segment	The trading segment within the 21X DLT-TSS;
Stop Order	Orders which are triggered when a specified price limit is reached in trading (implying that the market must trade at or above the stop limit for a buy Order and at or below the stop limit for a sell Order);
Supporting Documents	As defined in Rule 2.3 (Professional Participants);
Trading Hours	08:00 to 17:00 (CET) on a Business Day as defined in Rule 6.1.1 (Business Days), if not communicated differently in special situations.
Transaction or Trade	Execution of an Order. When an Order is executed in several tranches (partial executions), all tranches of the Order on the same Business Day are collated into a single transaction;
Transfer Order	A Participant's Transfer Order for a payment/delivery transaction to initiate settlement;
Upper Price Range	Reference price of a DLT Financial Instrument multiplied by the Price Collar Factor;
Volatility Price Range	A percentage price range determined by 21x DLT-TSS for each and around every DLT Financial Instrument whose breach triggers a Trading Halt;
Website	The Website of the 21X DLT-TSS at <a href="http://www.21X.eu">www.21X.eu</a> ;
WpHG	German Securities Trading Act ( <i>Wertpapierhandelsgesetz</i> ).

## 1.2. LEGAL FRAMEWORK, APPLICATION AND SCOPE

These Rules govern the access to and the use of the 21X DLT trading and settlement system ("**21X DLT-TSS**") for DLT Financial Instruments operated by 21X AG. The 21X DLT-TSS is a DLT multilateral trading facility ("**DLT-MTF**") that combines the services of a DLT-MTF and the services of a DLT settlement system ("**DLT-SS**").

1.2.1. 21X AG is a German stock corporation (Aktiengesellschaft), with its business address at Grosse Gallusstr. 16-18, 60311 Frankfurt am Main, Germany and is registered with the commercial register (Handelsregister) of the local court (Amtsgericht) of Frankfurt am Main under registration number HRB 131029 / LEI: 529900WC0LESEODR7A83. 21X AG is a German investment firm authorized and regulated by the German Federal Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – "BaFin"), with a specific permission to operate a DLT-TSS under Regulation (EU) 2022/858 of the European Parliament and of the Council of 30 May 2022 on a pilot regime for market infrastructures based on Distributed Ledger Technology (DLT Pilot Regime) ("DLTR") in conjunction with the German Investment Firm Act (Wertpapierinstitutsgesetz), and a permission to operate a crypto securities register pursuant to the German Banking Act (Kreditwesengesetz) as an ancillary service to operating the 21X DLT-TSS.

### 1.2.2. SERVICES

#### 1.2.2.1. Trading and Settlement Services of the 21X DLT-TSS

The 21X DLT-TSS is a multilateral trading facility that only admits to trading DLT Financial Instruments that have been initially recorded on the 21X DLT-TSS. As part of the DLT-SS services the 21X DLT-TSS provides the services of initial recording of DLT Financial Instruments and offers a settlement system that settles transactions in DLT Financial Instruments against payment or against delivery.

#### 1.2.2.2. Crypto-Securities Register Services of the 21X DLT-TSS

For Crypto-Securities (Kryptowertpapiere) in the sense of the German Electronic Securities Act (Gesetz über elektronische Wertpapiere – "eWpG") and Crypto Fund Units (Kryptofondsanteile) in the sense of the German Regulation on Crypto Fund Units (Verordnung über Kryptofondsanteile – "KryptoFAV"), 21X DLT-TSS operates a Crypto-Securities register as a service for such DLT Financial Instruments that are issued as Crypto-Securities under the eWpG or Crypto Fund Units under KryptoFAV provided these instruments are initially recorded, traded and settled on the 21X DLT-TSS.

1.2.2.3. 21X AG does not provide any safekeeping services in relation to DLT Financial Instruments for its clients.

1.2.3. These Rules apply to all upgrades, updates, and changes to the 21X DLT-TSS, 21X DLT-MTF and 21X DLT-SS.

1.2.4. This Rulebook forms the legal framework for the access to, and the use of the 21X DLT-TSS.

1.2.5. If a client has completed the Admission Process pursuant to Rule 2 (ADMISSION OF PARTICIPANTS) of this Rulebook as a professional client, natural person or legal entity and has been admitted by 21X AG as a Participant on the 21X DLT-TSS for the use of the 21X DLT-MTF and 21X DLT-SS services, such client shall be referred to as "Participant".

1.2.6. These Rules include the following Appendices:

(a) APPENDIX I | INFORMATION DOCUMENT

(b) APPENDIX II | LISTING SPONSORS;

Hereinafter referred to as the "**Appendices**". All Appendices form an integral part of these Rules.

## 2. ADMISSION OF PARTICIPANTS TO THE DLT TRADING AND SETTLEMENT SYSTEM

### 2.1. ADMISSION PROCESS

The admission of a client to become a Participant on the 21X DLT-TSS requires the following Admission Process:

- (a) completion of the onboarding process and submission of the application form provided by 21X AG including any required supporting documentation in the form and substance as required by 21X AG;
- (b) the client satisfies the Admission Conditions set forth in Rule 2.2 (Admission Conditions);
- (c) 21X AG has confirmed In Writing to the client that it has been admitted as Participant to the 21X DLT-TSS and may access and use the trading and settlement services.

21X AG may reject a client's admission application to become a Participant in its discretion if it does not satisfy the requirements of the Admission Process, in particular the respective Admission Conditions applicable to the client, or if the admission of a client as a Participant may prevent 21X AG from complying with Applicable Regulations.

21X AG will inform the Participant about its classification as a:

- (d) professional client (Professioneller Kunde),
- (e) eligible counterparty (Geeignete Gegenpartei) or
- (f) retail client (Privatkunde) for purposes of the WpHG.

If 21X AG classifies the Participant as a professional client for purposes of the WpHG ("**Professional Participant**"), the Participant is hereby informed that in accordance with the WpHG, the Participant and 21X AG may agree to change the classification to a classification as a retail client.

The classification as a retail client is accompanied by a higher level of protection under the WpHG but would affect the access to, and the scope of services offered by 21X AG on the 21X DLT-MTF to the extent these are limited to professional clients. 21X AG will inform the Participant of potential risks that could occur when using the 21X DLT-TSS.

If 21X AG classifies the Participant as a retail client for purposes of the WpHG, the Participant may, at their discretion, request In Writing to be reclassified as a professional client for purposes of the WpHG ("Professional Participant").

The Participant must satisfy the requirements set forth in Rule 2.3 (Professional Participants) and in addition, an assessment of the expertise, experience and knowledge of the Participant will be performed to provide reasonable assurance that the Participant is capable of making investment decisions and understands the risks involved.

Should the request to be reclassified as a Professional Participant be granted, the Participant shall be subject to all Rules pertaining to Professional Participants and 21X AG will provide written warning of the protections and investor compensation rights the Participant may lose. 21X AG may reject a Participant's reclassification request at its discretion.

### 2.2. Admission Conditions

#### 2.2.1. The client is:

- (a) a regulated credit institution as defined in point (1) of Art. 4(1) of Regulation (EU) No 575/2013, a regulated investment firm as defined in point (1) of Art. 4(1) MiFID II, or a regulated

capital management company as defined in point b of Art. 2(1) of the UCITS Directive 2009/65/EC or an AIFM as defined in point b of Art. 4(1) of the Directive 2011/61/EU based in the EU/EEA; or

(b) a third-country firm comparable to an investment firm, credit institution or management company, or

(c) categorized by 21X AG as a Professional Participant, or

(d) a legal entity or natural person whom 21X AG has assessed to be suitable for admission as a Participant.

2.2.2. The client is acting in its own name and for its own account or the account of its customer.

2.2.3. The client has successfully completed the 21X AG's customer-due-diligence process.

2.2.4. The client has opened and maintains an active user account in accordance with this Rulebook.

2.2.5. The client has provided 21X AG with one or several wallets addresses of compatible wallets that are self-custodied by the client of which the client controls the private keys or which are operated on behalf of the client by a custody service provider, and which qualify for whitelisting by 21X AG.

### 2.3. PROFESSIONAL PARTICIPANTS

2.3.1. To be admitted as a Professional Participant the client fulfils and must continue to fulfil the following requirements:

(a) The client is of sufficiently good repute to become a Participant.

(b) The client has a sufficient level of trading ability, competence, and experience.

(c) The client has adequate organizational arrangements (including systems, procedures, and controls) in place to ensure ongoing compliance with the Rules.

(d) The client has adequate pre-trade controls on price, volume and value of orders and usage of the system and post-trade controls.

(e) The client has, or employs staff in key positions that have, adequate qualifications.

(f) The client has sufficient financial resources to become a Participant.

(g) The client is well-informed and experienced with a high-risk tolerance and the financial means to bear financial losses (up to a total loss).

(h) The client is not subject to taxation in the United States of America and is not a "U.S. Person" as defined in Rule 902 of Regulation S under the US Securities Act of 1933, as amended.

(i) The client is not based in a country or territory which is listed on a sanctions list or subject to trade, economic or financial sanctions, laws, embargoes or restrictive measures imposed, administered or enforced from time to time by the United Nations, the European Union, the government of the United States of America and their governmental authorities, FATF.

2.3.2. To be admitted as a Professional Participant the client is required to submit the 21X AG Professional Participant Application Form with Supporting Documents as requested by 21X AG in digital form.

### 2.3.3. Professional Participant Application Form

In the "**Professional Participant Application Form**" the client must sufficiently provide and satisfy the following information and confirmation:

- (a) its statutory name, legal form, registration number, LEI, business address, website address, authorized persons (with personal identification data including name and surname, date of birth, place of birth, nationality, contact data including address, email, phone number), contact person name (with email and phone number);
- (b) its regulatory status in the EU/EEA or in a third country,
- (c) details on the trading activity including type of DLT Financial Instruments and expected trading volumes;
- (d) its status as a member or Participant of other trading venues or settlement systems;
- (e) information on reputation including information on any criminal, administrative offence, disciplinary or similar proceedings;
- (f) confirmation of compliance with this Rulebook.

### 2.3.4. Supporting Documents for Professional Participants

2.3.4.1. The client must provide and satisfy the following "Professional Participant Supporting Documents":

- (a) In case the client is a regulated investment firm or credit institution it shall provide a copy of its licenses including information in which EU/EEA member states or other countries the client is allowed to provide its services;
- (b) Legal incorporation documentation e.g., excerpt from the company register or certificate of incorporation (no older than three months) and memorandum and articles of association, or equivalent document(s) depending on the country of incorporation.
- (c) Group structure diagram showing the ownership of the client and, where applicable, the whole group structure, including percentages of holdings and stakeholders' nationalities.
- (d) List of the client's authorized signatories (persons acting on behalf of the client authorized to sign all documents relating to the Professional Participant Application Form),
- (e) For third-country firms: a) evidence of authorization indicating the permitted investment activities and financial instruments, b) curriculum vitae of two individuals who effectively direct the business (e.g., chief executive officer and managing director), c) their certificates of good conduct or similar criminal record checks,
- (f) In case of a client's request for reclassification as Professional Participant the client shall make use of the relevant Reclassification Form, available upon request.

21X AG may, in its sole discretion, request additional information and documents as it may consider relevant in the context of the Admission Process.

2.3.4.2. The client acknowledges and agrees that its status as a Professional Participant on the 21X DLT-TSS including any privileges arising from such status may not be transferred, assigned, or encumbered by or on behalf of the Professional Participant except with the prior written approval of 21X AG where such transfer, assignment or encumbrance is expressly provided for in this Rulebook.

2.3.4.3. As a Professional Participant the client must pay the fees and charges applicable as determined and published by 21X AG on the website, [www.21X.eu](http://www.21X.eu), under the FEE SCHEDULE.

2.3.4.4. 21X AG shall, in its sole discretion, approve or reject the application as Professional Participant or approve the application subject to such conditions and/or restrictions as it considers appropriate. In making its assessment 21X AG shall consider, among other things, the potential new business the client is likely to bring to the 21X DLT-TSS and how it might affect the reputation of 21X AG as a whole.

## 2.4. NON-PROFESSIONAL CLIENTS

2.4.1. In case a client is a natural person or a legal entity that does not qualify as a Professional Participant and/or a credit institution as defined in point (1) of Art. 4(1) of Regulation (EU) No 575/2013, a regulated investment firm as defined in point (1) of Art. 4(1) MiFID II, or a regulated capital management company as defined in point b of Art. 2(1) of the UCITS Directive 2009/65/EC or an AIFM as defined in point b of Art. 4(1) of the Directive 2011/61/EU based in the EU/EEA ("Non-Professional client"), the client fulfils and must continue to fulfil the following requirements:

- (a) In case the client is a natural person it must at least be 18 years of age.
- (b) The client is of sufficient good repute.
- (c) The client has a sufficient level of trading ability competence and experience, including knowledge of the functioning of Distributed Ledger Technology.
- (d) The client is not a Market Maker on the 21X DLT-MTF.
- (e) The client does not use Algorithmic trading or a High-frequency trading technique on the 21X DLT-MTF.
- (f) The client does not provide other persons with Direct Electronic Access to the 21X DLT-MTF.
- (g) The client is acting in its own name and for its own account and does not execute any Orders on behalf of its customer on the 21X DLT-MTF.
- (h) The client has given informed consent to trading on the 21X DLT-MTF as a Participant and has acknowledged the potential risks of using the 21X DLT-TSS' systems to trade and settle DLT Financial Instruments transactions.
- (i) The client is well-informed and experienced with a high-risk tolerance and the financial means to bear financial losses (up to a total loss).
- (j) The client is not subject to taxation in the United States of America and is not a "U.S. Person" as defined in Rule 902 of Regulation S under the US Securities Act of 1933, as amended.
- (k) The client is not based in a country or territory which is listed on a sanctions list or subject to trade, economic or financial sanctions, laws, embargoes, or restrictive measures imposed, administered, or enforced from time to time by the United Nations, the European Union, the government of the United States of America and their governmental authorities.

21X AG may, in its sole discretion, request additional information and documents as it may consider relevant in the context of the Admission Process.

#### 2.4.2. Admission of Natural Persons as Participants

To be admitted as a Participant, a client being a natural person must satisfy the onboarding process, which requires the client to sufficiently provide and satisfy the following information and confirmation:

- (a) its personal identification data including name and surname, date of birth, place of birth, nationality and if applicable, the person acting on their behalf, tax-ID, its contact data including address, email, phone number;
- (b) its politically exposed person status including clarification if the client is a politically exposed person, a family member or a person known to be a close associate to a politically exposed person;
- (c) Confirmation that the client itself is the Beneficial Owner and not acting on behalf of a third party;
- (d) The information requested by 21X AG to assess the appropriateness of the DLT Financial Instrument and services provided by 21X AG pursuant to Section 63(10) WpHG;
- (e) The information requested by 21X AG to assess the client's level of trading ability competence and experience, including knowledge of the functioning of Distributed Ledger Technology;
- (f) its self-declaration of sufficient good repute;
- (g) its confirmation of compliance with this Rulebook;
- (h) its acknowledgment of the 21X AG Privacy Policy;
- (i) its acknowledgment of the Conflict of Interest-Policy;
- (j) its acknowledgment of the 21X DLT-TSS Risk Warning Document.

21X AG may, in its sole discretion, request additional information and documents as it may consider relevant in the context of the Admission Process.

##### 2.4.2.2. Supporting Documents for Natural Persons

The client must provide and satisfy the following **"Natural Person Supporting Documents"**: A certified copy of a valid official identity document. A valid official identity document is one which includes a photograph of the holder and satisfies the passport and identification requirements in Germany, in particular a German passport, identity card or substitute of a passport or identity card, or a passport, identity card or substitute of a passport or identity card recognized or accepted under German provisions for foreign nationals. Other valid official identity documents could be requested, depending on the jurisdiction of the Natural Person, in accordance with regulatory requirements.

#### 2.4.3. Admission of Legal Entities as Participants

To be admitted as a Participant, a client being a legal entity as described in Rule 2.4 must satisfy the onboarding process, which requires the client to sufficiently provide and satisfy the following information and confirmation:

- (a) its identification data including its statutory name, legal form, registration number, LEI, address, website address, authorized persons (with personal identification data including name

and surname, date of birth, place of birth, nationality, contact data including address, email, phone number), contact person name(with email and phone number);

- (b) its politically exposed person status including clarification if the client or the Beneficial Owner is a politically exposed person, a family member or a person known to be a close associate to a politically exposed person;
- (c) its Beneficial Owner including clarification whether the client is acting on behalf of a Beneficial Owner;
- (d) the information requested by 21X AG to assess the appropriateness of the DLT Financial Instrument and services provided by 21X AG pursuant to Section 63(10) WpHG;
- (e) the information requested by 21X AG to assess the client's level of trading ability competence and experience, including knowledge of the functioning of Distributed Ledger Technology.
- (f) its self-declaration of sufficient good repute;
- (g) its confirmation of compliance with this Rulebook;
- (h) its acknowledgment of the 21X AG Privacy Policy;
- (i) its acknowledgment of the Conflict of Interest-Policy;
- (j) its acknowledgment of the 21X DLT-TSS Risk Warning Document.

#### 2.4.3.2. Supporting Documents for Legal Entities

The client must provide and satisfy the following "**Legal Entity Supporting Documents**":

- (a) Legal incorporation documentation e.g., excerpt from the company register or certificate of incorporation (no older than three months) and memorandum and articles of association, or equivalent document(s) depending on country of incorporation.
- (b) A shareholder register or any other equivalent document where the ultimate Beneficial Owners holding 25% or more of the client, directly and indirectly (e.g., also cumulatively through different branches of the group structure) are shown. The provided diagram should be dated (no older than six months) and signed by at least one authorized signatory of the client.
- (c) A group structure diagram showing the ownership of the client and, where applicable, the whole group structure, including percentages of holdings and stakeholders' nationalities.

For identification of the legal representatives and authorized signatories of the client, a certified copy of a valid official identity document, or the result of another procedure that is suitable for verifying identity under the AML act that has a level of security equivalent to an appropriate examination of the document presented on site. A valid official identity document is one which includes a photograph of the holder and satisfies the passport and identification requirements in Germany, in particular a German passport, identity card or substitute of a passport or identity card, or a passport, identity card or substitute of a passport or identity card recognized or accepted under German provisions for foreign nationals. Other valid official identity documents could be requested, depending on the jurisdiction of the Natural Person, in accordance with regulatory requirements.

- (d) A list of the client's legal representatives and authorized signatories (natural persons acting on behalf of the legal entity authorized to sign all documents relating to 21X AG Legal Entity Application Form). 21X AG may, in its sole discretion, request additional information and documents as it may consider relevant in the context of the Admission Process.

## 2.5. DIRECT ELECTRONIC ACCESS AND SPONSORED ACCESS

A Professional Participant may authorise Direct Electronic Access for its customers in respect of markets established or operated by 21X AG.

21X AG does not permit Orders to be submitted to the 21X DLT-TSS by way of Sponsored Access.

In order to provide DEA to 21X, Professional Participants must:

- (a) Submit relevant notifications to Exchange Supervisory Authority, BaFin and National Competent Authority (if not located in Germany)
- (b) Apply for authorisation of DEA system 21X AG via the respective application form.
- (c) The application form „Notification pursuant to section 77 (2) sentence 1 of the Securities Trading Act (third subparagraph of Article 17(5) of Directive 2014/65/EU)” on the provision of direct electronic access acc. To section 2 para. 30 Securities Trading Act can be retrieved from the Bafin website and should be submitted to Federal Financial Supervisory Authority (BaFin): Notification on provision of DEA to a trading venue to Email: [deaanzeige@bafin.de](mailto:deaanzeige@bafin.de).
- (d) Investment firms that offer DEA to a German exchange must submit notification to the Exchange Supervisory Authority responsible for the respective exchange. The application form „Notification on providing Direct Electronic Access (DEA)” for market participants of 21X can be retrieved from the website of the Exchange Supervisory Authority of the State of Hesse and should be submitted via Email: [reporting@wirtschaft.hessen.de](mailto:reporting@wirtschaft.hessen.de)

### 2.5.2. Conditions Governing Direct Electronic Access

2.5.2.1. For every customer that a Professional Participant authorises Direct Electronic Access for, the Professional Participant must have measures in place for each customer to:

- (a) meet 21X AG standards;
- (b) have appropriate procedures in place to assure that all relevant persons are familiar with and comply with the Rules covered in this Rulebook;
- (c) be provided information concerning its access to the Trading System and applicable laws;
- (d) be subject to a legally binding agreement governing the terms and conditions for such Direct Market Access;
- (e) have security arrangements in place to ensure that unauthorized persons are denied such Direct Market Access; and
- (f) assist 21X AG in any investigation into potential violations of these Rules and applicable laws. Such assistance shall be timely and shall include, but is not limited to, the provision of information to 21X AG relating to the identity and address of any person who may be responsible for the execution of an order or trade.

2.5.2.2. Where a Participant permits the delegation of Direct Electronic Access by its authorized customer and any other persons, the Participant must include in the legally binding agreement referred to in Rule 2.5.1.1. (d) the requirement for such customer and any other persons delegating Direct Electronic Access to ensure that all persons with Direct Electronic Access are subject to the requirements set out in Rules 2.5.1.1. (a) to (f).

2.5.2.3. 21X AG may require a Professional Participant to provide to 21X AG a report by an independent reviewer on the Member's compliance with Rules 2.5.1 and 2.5.2.2..

### 2.5.3. Suspension And Termination Of Direct Electronic Access

2.5.3.1. 21X AG may suspend or terminate, or direct a Professional Participant to suspend or terminate a client's Direct Electronic Access:

- (a) Where the client has failed to assist 21X AG with an investigation in accordance with Rule 2.5.1.1 (f);
- (b) In the interest of a fair, orderly, and transparent market; or
- (c) Where the client has caused the Participant to breach requirements in the Rules.

2.5.3.2. A Professional Participant must have the ability to immediately suspend or terminate a person's Direct Electronic Access when necessary for the fulfilment of its duties or any other reason.

### 2.5.4. Sponsored Access

21X AG does not permit Orders to be submitted to the 21X DLT-TSS by way of Sponsored Access

### **3. ADMISSION OF DLT FINANCIAL INSTRUMENTS TO THE DLT-TSS SYSTEM**

#### **3.1. APPLICATION FOR ADMISSION, RESPONSIBILITY**

3.1.1. The Issuer of the DLT Financial Instrument acting alone, or the Issuer together with a Listing Sponsor shall apply for admission of the DLT Financial Instrument to the 21X DLT-TSS.

3.1.2. To be admitted as an Issuer, the applicant must submit the completed 21X AG Issuer Application Form, along with all supporting documents, as mentioned in the 21X AG Issuer Application Form and any additional documents required by 21X AG, in digital format. The application for admission must be submitted in English and include the following information, also detailed in the form:

- (a) The name and registered office of the Issuer and the credit institution, investment firm or company as mentioned in Rule 3.1.1. (if any);
- (b) Details of the DLT Financial Instruments for which admission to trading and recording on the 21X DLT-TSS is requested (e.g., number of DLT Financial Instruments, nominal value/nominal amount, type of DLT Financial Instruments);
- (c) The VAT number and the registration number in the trade register of the Issuer;
- (d) The Issuer must own a legal entity identifier ("LEI") which must be entered into the application for admission;
- (e) The legal incorporation documentation of the Issuer e.g., excerpt from the company register or certificate of incorporation (no older than three months) and memorandum and articles of association, or equivalent document(s) depending on the country of incorporation;
- (f) The Issuer's past two annual financial statements (if available);
- (g) Any indenture or subscription agreement relating to the DLT Financial Instruments for which admission to trading and recording has been requested (including, inter alia, the minutes of general meetings or the resolutions put forward by the Issuer's management bodies), and, if admission to trading is accompanied by the creation of new DLT Financial Instruments, a copy of the notarial deed or similar official deed certifying the creation of the new DLT Financial Instruments;
- (h) Where appropriate, a valuation report substantiating the price proposed for DLT Financial Instruments to be admitted to trading;
- (i) A final confirmed copy of the Information Document (see "Information Document" in appendices) duly signed by a representative of the Issuer;
- (j) The Issuer's commitment to conform to the Rules of this Rulebook and to comply with all relevant Applicable Regulations (including but not limited to the Market Abuse Regime);
- (k) Confirmation that the Issuer is not insolvent nor subject to any Insolvency proceedings; It shall be stated whether a similar application has been made previously or simultaneously on another trading venue or DLT market infrastructure pursuant to the DLTR or in another Member State of the European Union or the European Economic Area or will be made in the near future.

3.1.3. 21X AG may request from the Issuer the submission of the reference data of the DLT Financial Instrument to be admitted on the 21X DLT-TSS.

3.1.4. The Admission to Trading Committee of 21X AG shall rule upon the admission under Rule 3.1.1.

## 3.2. GENERAL REQUIREMENTS FOR ADMISSION OF DLT FINANCIAL INSTRUMENTS

3.2.1. DLT Financial Instruments to be admitted to trading on the 21X DLT-TSS must be recorded in tokenized form. The DLT Financial Instruments must satisfy the technical requirements for tokenized Financial Instruments as specified by 21X AG.

3.2.2. Upon admission to trading and for as long as the DLT Financial Instruments are traded on the 21X DLT-TSS, an Issuer's legal position and structure must be in accordance with applicable laws and regulations (including corporate documents) as regards both its formation and its operation and with the requirements prescribed by any relevant Competent Authority.

3.2.3. An Issuer shall ensure that the DLT Financial Instruments to be admitted to trading are freely negotiable and transferable (freely tradable).

3.2.4. An Issuer shall ensure that DLT Financial Instruments are validly issued in accordance with applicable laws and regulations governing those DLT Financial Instruments, the Issuer's articles of association and other corporate documents. The Issuer may decide to issue a DLT Financial Instrument by digitally representing a financing instrument on DLT or by issuing a traditional asset class in tokenised form. For the DLT Financial Instruments to be admitted to trading and recorded in the 21X DLT-TSS, 21X AG will check and may request evidence from the Issuer of the legal force of a respective issuance of securities in observance with the respective governing national law.

3.2.5. The Issuer shall provide a prospectus, securities information document, key information document or similar information document; and a link to said document(s) on their website; (see "Information Document" in appendices) as required under applicable law for the offer to the public of the DLT Financial Instruments to be admitted to trading on the 21X DLT-TSS.

3.2.6. An Issuer shall ensure that DLT Financial Instruments of the same class have identical rights as per applicable law and regulations, its articles of association and its other constitutional documents.

3.2.7. An Issuer shall possess a Legal Entity Identifier ("LEI").

3.2.8. The DLT Financial Instruments shall possess an International Securities Identification Number ("ISIN") and possess a Digital Token Identifier ("DTI").

3.2.9. An Issuer shall maintain an up-to-date website to publish relevant company information such as board members, shareholder structure, contact details, activities and to enable disclosure of the Information Document, and of inside information as a result of the applicable Market Abuse Regime.

3.2.10. DLT Financial Instruments may be admitted to the 21X DLT-TSS if the orderly fulfilment of the transactions is guaranteed.

3.2.11. DLT Financial Instruments may be admitted to the 21X DLT-TSS if there are no regulatory prohibitions against the trading and settlement on a DLT-TSS, DLT-MTF or DLT-SS.

3.2.12. 21X AG shall only admit DLT Financial Instruments to trading and record them on the 21X DLT-TSS that satisfy the following requirements and limitations:

(a) The DLT Financial Instrument qualifies as a DLT Share, the Issuer of which has a market capitalization, or a tentative market capitalization, of less than EUR 500 million;

(b) The DLT Financial Instrument qualifies as a DLT Bond, including bonds and other forms of securitised debt, including depositary receipts in respect of such securities, or money market instruments, with an issue size of less than EUR 1 billion.

(c) Corporate bonds issued by issuers whose market capitalisation did not exceed EUR 200 million at the time of their issuance shall be excluded from the calculation of the threshold referred to in point (b).

(d) The DLT Financial Instrument qualifies as a DLT UCITS, including units in collective investment undertakings covered by Art. 25(4), point (a)(iv) MiFID II, the market value of the assets under management of which is less than EUR 500 million.

3.2.13. 21X AG will admit to trading only DLT Financial Instruments that, on the day of the admission to trading, have the following minimum issue sizes:

<b>DLT Financial Instruments</b>	<b>Minimum Issue Size</b>	<b>Currency</b>
DLT Shares	500.000	EUR (or equivalent)
DLT Bonds	250.000	EUR (or equivalent)
DLT UCITS	1.000.000	EUR (or equivalent)

### 3.3. ADDITIONAL CONDITIONS AND REQUIREMENTS

21X AG may:

(a) impose supplementary admission requirements, or conditions as it reasonably considers appropriate and of which it shall duly inform the relevant Issuer prior to its decision in respect of the relevant application for admission in a notice taking into account the nature of the DLT Financial Instruments for which admission is sought and, to the extent possible, the general admission requirements specified in this Rulebook for comparable DLT Financial Instruments;

(b) require any additional documentation and information from the Issuer;

(c) carry out such inquiries as may reasonably be required in connection with its review of an application for admission to the trading and settlement system; and

(d) waive any condition or grant dispensation from any requirement set forth in this Rulebook.

### 3.4. ADDITIONAL REQUIREMENTS FOR DLT FINANCIAL INSTRUMENTS CLASSIFIED AS DLT SHARES

#### 3.4.1. DLT Shares of the Same Class

The application for admission to trading and to be recorded in the 21X DLT-TSS must relate to all DLT Shares of the same class issued at the time of the application or proposed to be issued.

#### 3.4.2. Responsibility and Listing Sponsor

An Issuer can appoint a Listing Sponsor in connection with any initial admission to trading of DLT Financial Instruments.

The Issuer remains responsible for compliance with the Rules vis-à-vis 21X AG.

### 3.5. ADDITIONAL REQUIREMENTS FOR DLT BONDS

#### 3.5.1. DLT Bonds Ranking Pari Passu

The application for admission to trading and to be recorded in the 21X DLT-TSS must relate to all DLT Bonds ranking pari passu.

3.5.2. DLT Bonds which have legally not come into existence yet at the time of admission may, irrespective of fulfilment of the prerequisites pursuant to Rules 3.2.4 and 3.2.3 be admitted. The admission shall end without a termination being required if:

- (a) upon expiration of ten days after the value date indicated at the time of conclusion – the DLT Bond has not been accomplished or, at this point in time, the free tradability or an orderly fulfilment of the transactions is not guaranteed, or
- (b) it is already determined beforehand that the DLT Bond will not come into existence.

3.5.3. In case of a termination of the admission pursuant to this Rule 3.5.2, 21X AG will publish the cessation of trading on its Website [www.21X.eu](http://www.21X.eu).

### 3.6. ADMISSION DECISION AND PUBLICATION

#### 3.6.1. Admission Decision Timeline

3.6.1.1. Subject to receipt of a complete copy of the application for admission and all required documentation, the Admission to Trading Committee of 21X AG decides on the admission or non-admission to trading and recording of DLT Shares within one (1) month after the date 21X AG has received a complete copy of the application for admission and all required documentation.

3.6.1.2. Subject to receipt of a complete copy of the application for admission and all required documentation, the Admission to Trading Committee of 21X AG decides on the admission or non-admission of DLT Financial Instruments to trading within one (1) month after the date 21X AG has received all required documentation.

#### 3.6.2. Grounds for Refusal

3.6.2.1. The application for admission of the DLT Financial Instruments may be rejected by 21X AG on any appropriate ground, including (without limitation) if it considers that the admission of the DLT Financial Instruments may be detrimental to the fair, orderly and efficient operation of the 21X DLT-TSS or to the reputation of 21X AG as a whole.

3.6.2.2. The application for admission of the DLT Financial Instruments may be rejected by 21X AG despite the fulfilment of the requirements under the rules described in 3.2 GENERAL REQUIREMENTS FOR ADMISSION OF DLT FINANCIAL INSTRUMENTS, if the Issuer fails to fulfil its obligations under the admission on another trading venue.

#### 3.6.3. Publication

21X AG shall publish the admission on its Website, [www.21X.eu](http://www.21X.eu).

## **4. OBLIGATIONS**

### **4.1. ISSUER DISCLOSURE AND REPORTING OBLIGATIONS**

#### **4.1.1. Accounting Standards**

An Issuer must publish on its website its annual financial statements in accordance with the Applicable Regulations timetable. In case no publication is foreseen in local rules and regulation, financial statements shall be made available before the end of the first semester of the next year.

#### **4.1.2. Report of Changes**

Each Issuer shall inform 21X AG of changes to its senior executives' team (managers with the power to take managerial decisions affecting the future developments and business prospects of the Issuer) and the composition of its board as well as any changes to its Beneficial Owners as soon as the Issuer becomes aware of it.

#### **4.1.3. Corporate Actions**

Each Issuer shall inform 21X AG of events affecting DLT Financial Instruments that 21X AG deems necessary to run a fair, orderly, and efficient market. The relevant information shall be provided to 21X AG in due time before the event affecting the DLT Financial Instruments or the relevant Corporate Action, so that 21X AG may take any appropriate technical measure.

Corporate Actions, including redemptions, may be implemented by the Issuer in the token smart contract to be executed on the Blockchain.

#### **4.1.4. Application of new DLT Financial Instruments**

4.1.4.1. An application for admission to trading must cover all the Issuer's DLT Financial Instruments of the same class issued at the time of the application or proposed to be issued for the admission planned.

4.1.4.2. When additional DLT Financial Instruments of the same class as DLT Financial Instruments already admitted to trading are issued, application for admission to trading and recording on the 21X DLT-TSS of such additional DLT Financial Instruments shall be made:

- (a) as soon as they are issued in case of a Public Offer of the DLT Financial Instruments; and/or
- (b) no later than ninety (90) days after their issue in cases other than a Public Offer.

## **5. REMUNERATION**

21X AG provides the services of the 21X DLT-TSS in exchange for the remuneration set forth in the Fee Schedule, for the provision of the DLT-MTF and DLT-SS services, each as published by 21X AG on its Website [www.21X.eu](http://www.21X.eu) (plus applicable value added tax, if any).

## **6. TRADING RULES**

### **6.1. TRADING RULES**

Trading in DLT Financial Instruments admitted to the 21X DLT-TSS shall take place according to the Rules of this Rulebook.

#### **6.1.1. Business Days**

The days from Mondays to Fridays on which the 21X DLT-TSS is open for trading and settlement excluding public holidays of Germany and the State of Hessen.

#### **6.1.2. Trading Hours**

The order book shall be open on Business Days from 08:00 to 17:00 (CET) ("**Trading Hours**"). In special situations 21X AG may modify Business Days and Trading Hours and inform Participants on its Website [www.21X.eu](http://www.21X.eu) and/or with a Notice.

#### **6.1.3. Currency of Trading**

Orders for the purchase or sale of DLT Financial Instruments shall be expressed in the currency determined by 21X AG for the relevant class of DLT Financial Instruments, the EMTs issued by the respective Electronic Money Institution communicated by 21X AG. Different DLT Financial Instruments can be traded using different EMTs as currencies of trading if the respective trading pair is available on the 21X DLT-TSS. Additional currencies of trading will be added, and Participants will be notified thereof via 21X Website.

#### **6.1.4. Network Fees required for Processing Blockchain Transactions on Polygon**

To be able to sign and process transaction messages to be submitted to the Order Book Smart Contract the Polygon Blockchain levies POL as so-called "network-fees," which are Polygon network specific and inherent fees. To submit Orders to the 21X DLT-TSS, the Participant must have a sufficient amount of the Polygon native cryptocurrency POL available in its wallet. The Polygon network deducts POL from the Participant's wallet as network fees when submitting a transaction message. 21X AG will not provide the required POL on behalf of the Participant.

#### **6.1.5. System Rules and Requirements**

When trading on the 21X DLT-TSS, Participants shall comply with the operational, procedural, and technical requirements of 21X AG's systems and networks, as specified by 21X AG.

#### **6.1.6. Participant Responsibility**

In respect of business conducted on the 21X DLT-TSS or business related thereto, a Participant shall be responsible for the acts and conduct of all Responsible Persons registered in its name and all individuals trading under the general authority of such Responsible Persons as if the acts and conduct of each of those persons were the acts and conduct of the Participant. In particular, a Participant shall be held responsible for a violation of a relevant obligation committed by any such person and sanctions may be imposed under these Rules.

## 6.2. ORDERS

6.2.1. An Order is a binding offer to buy or sell a certain quantity of a DLT Financial Instrument at a limited price ("Order"). Orders may be entered in or deleted from the Central Limit Order Book. All incoming Orders shall be assigned an identification number.

6.2.2. Once entered in the Central Limit Order Book, Orders cannot be amended.

6.2.3. Orders may be entered at any time during Trading Hours on a Business Day and are visible in the Central Limit Order Book. Whole Orders, or non-executed parts of an Order, remain in the Central Limit Order Book until they have been executed or cancelled or have expired.

6.2.4. Any Order needs to be pre-funded by the Participant to be entered in the Central Limit Order Book. The E-Money Tokens or DLT Financial Instrument required for pre-funding an Order will be locked for as long as the Order remains in the Central Limit Order Book.

### 6.2.5. Minimum Order Indications

6.2.5.1. Any Order submitted to the Central Limit Order Book shall at least indicate, if applicable, the following elements:

- (a) The DLT Financial Instrument to which the Order relates to;
- (b) Whether the Order is for a purchase or a sale;
- (c) The Order quantity;
- (d) The price conditions;

### 6.2.6. Order Size

Minimum order sizes are made available for each trading pair via the 21X DLT-TSS' REST API or user interface.

Orders below minimum order size will be rejected.

### 6.2.7. Certain Events

6.2.7.1. Orders in respect of a particular DLT Financial Instrument shall be cancelled in the Central Limit Order Book upon the occurrence or the announcement of certain events concerning the relevant Issuer which are likely to substantially affect the price of such DLT Financial Instrument, as set forth in one or more Notices.

### 6.2.8. Cancellation

Any Order entered into the Central Limit Order Book may be cancelled prior to its execution. When an Order is cancelled, the pre-funded assets are returned to the sending Participants.

Amending existing Orders is not possible.

Regarding Cancellation in case of default, please see the 21X Default Management Policy.

## 6.3. ORDER TYPES

### 6.3.1. Limit Orders

Limit Orders are bid or ask Orders that can only be executed at their specified price limit or at a better price ("**Limit Order**"). The price limit must be consistent with the tick specified by Notice.

## 6.4. ORDER PARAMETERS

### 6.4.1. Validity

Orders entered into the Central Limit Order Book are valid for the Business Day. After the Central Limit Order Book closes at the end of the Business Day, remaining open Orders are cancelled.

## 6.5. PRE-TRADE CONTROLS

21X AG may reject Orders and quotes which exceed predetermined value, volume, and price thresholds ("**Pre-Trade Controls**"), in particular where:

- the price limit of the incoming Order or quote reaches or exceeds the "Upper Price Range" (reference price multiplied by the Price Collar Factor) for the DLT Financial Instrument;
- the price limit of the incoming Order or quote reaches or falls short of the "Lower Price Range" (reference price divided by the Price Collar Factor) for the DLT Financial Instrument;
- the volume of the incoming Order or quote reaches or exceeds the "Maximum Order Volume" (Maximum Order Value divided by the reference price) for the DLT Financial Instrument.
- the value of the incoming Order or quote reaches or exceeds the "Maximum Order Value" (the Order volume multiplied by the price limit for the Order) for the DLT Financial Instrument; or

The Price Collar Factor used to calculate the Upper Price Range and the Lower Price Range, as well as the Maximum Order Volume and the Maximum Order Value, are determined by 21X AG.

The Price Collar Factor is generally 9.

The Maximum Order Volume and the Maximum Order Value are determined for each DLT Financial Instrument, reviewed on an ongoing basis, adjusted if necessary and published on the Website, [www.21x.eu](http://www.21x.eu).

The reference price of the previous Business Day is used to determine the Pre-Trade Controls. 21X AG shall publish exceptions for individual DLT Financial Instruments or Business Days in a suitable manner.

## 6.6. TRADING PARAMETERS GUIDELINES AND PRICE STEPS (TICK SIZE)

21X AG defines price steps (tick sizes) and assigns DLT Financial Instruments to those individual price steps. Price steps are applied and sourced in compliance with the MiFID II tick size regime pursuant to Art. 48(6), 49 MiFID II and Delegated Regulation (EU) 2017/588.

Price ranges	Liquidity bands (LB)					
	Average daily number of transactions (ADNT)					
	0 ≤ ADNT <10	10 ≤ ADNT <80	80 ≤ ADNT <600	600 ≤ ADNT <2'000	2'000 ≤ ADNT <9'000	9'000 ≤ ADNT
	LB1	LB2	LB3	LB4	LB5	LB6
0 ≤ price <0.1	0.0005	0.0002	0.0001	0.0001	0.0001	0.0001
0.1 ≤ price <0.2	0.001	0.0005	0.0002	0.0001	0.0001	0.0001
0.2 ≤ price <0.5	0.002	0.001	0.0005	0.0002	0.0001	0.0001
0.5 ≤ price <1	0.005	0.002	0.001	0.0005	0.0002	0.0001
1 ≤ price <2	0.01	0.005	0.002	0.001	0.0005	0.0002
2 ≤ price <5	0.02	0.01	0.005	0.002	0.001	0.0005
5 ≤ price <10	0.05	0.02	0.01	0.005	0.002	0.001
10 ≤ price <20	0.1	0.05	0.02	0.01	0.005	0.002
20 ≤ price <50	0.2	0.1	0.05	0.02	0.01	0.005
50 ≤ price <100	0.5	0.2	0.1	0.05	0.02	0.01

100 ≤ price < 200	1	0.5	0.2	0.1	0.05	0.02
200 ≤ price < 500	2	1	0.5	0.2	0.1	0.05
500 ≤ price < 1'000	5	2	1	0.5	0.2	0.1
1'000 ≤ price < 2'000	10	5	2	1	0.5	0.2
2'000 ≤ price < 5'000	20	10	5	2	1	0.5
5'000 ≤ price < 10'000	50	20	10	5	2	1
10'000 ≤ price < 20'000	100	50	20	10	5	2
20'000 ≤ price < 50'000	200	100	50	20	10	5
50'000 ≤ price	500	200	100	50	20	10

21X AG publishes the price steps allocated per DLT Financial Instrument with the static data on its website [www.21X.eu](http://www.21X.eu).

## 6.7. TRADING CYCLES IN THE CENTRAL LIMIT ORDER BOOK

DLT Financial Instruments shall be traded through continuous matching of Orders at opposite sides of the Central Limit Order Book.

### 6.7.1. Continuous Trading

#### 6.7.1.1. Main Trading Session

Trading shall take place on a continuous basis, with each incoming Order being checked immediately for possible execution against Orders on the opposite side of the Central Limit Order Book and any remaining unexecuted portion of such Order being added to the Central Limit Order Book.

## 6.8. MARKET MECHANISMS

### 6.8.1. Order Matching and Execution in the Central Limit Order Book

#### 6.8.1.1. Execution Priority Principle

Orders in the Central Limit Order Book shall be executed according to strict price priority.

For buy Orders, higher price limits have priority over lower limits.

For sell Orders, lower price limits have priority over higher limits.

Orders at the same price are ranked and executed according to strict time priority. Earlier Orders have priority over later Orders.

#### 6.8.1.2. Continuous Trading

During Continuous Trading, each incoming Order shall be checked immediately for possible execution against Orders on the opposite side of the Central Limit Order Book. Orders in the Central Limit Order Book shall be executed according to the execution priority principle.

#### 6.8.1.3. Order Matching

When a new Order is received by the Central Limit Order Book, an automatic matching process shall be triggered based on the predefined criteria:

For incoming buy Orders, the Order price shall be compared to the best priced sell Orders according to their assigned priority ranking. A buy Order price needs to be higher or equal to the sell Order price limit for matching.

For incoming sell Orders, the Order price shall be compared to the best priced buy Orders, considering their assigned priority sequence. A sell Order price needs to be lower or equal to the buy Order price limit for matching.

#### 6.8.1.4. Matching algorithm

When a new Order is received by the Central Limit Order Book, an automatic process is started that allows the collection and identification of all outstanding Orders that may match the incoming Order, by fulfilling one of the following conditions:

- (a) The total quantity of the collected Orders is greater or equal to the quantity of the incoming Order;
- (b) There are no Orders left that can be matched prior to the incoming Order;

If the Order cannot be matched, the Order remains in the Central Limit Order Book.

If one or more Orders match partially or fully the incoming Order, the price determination and Order execution will follow.

#### 6.8.1.5. Price Determination

When at least one matching Order is identified through the order matching process, a single execution price is calculated as per the price determination process described in Rule 6.8.1.6.

#### 6.8.1.6. Price Determination Process

The price determination process aims to keep price volatility low, while maximizing fairness and transparency for Participants based on their stated limit prices and is guided by the following:

##### (a) Lower Price Limit

If the incoming Order is a sell Order, the lower price limit is the price limit of the incoming sell Order.

If the incoming Order is a buy Order, the lower price limit is calculated as the highest price limit of the sell Orders collected during the order matching process.

##### (b) Upper Price Limit

If the incoming Order is a sell Order, the upper price limit is calculated as the lowest price limit of the buy Orders collected during the order matching process.

If the incoming Order is a buy Order, the upper price limit is the price limit of the incoming buy Order.

##### (c) Final Price

If the last execution price is lower than the lower price limit, the execution price will be set at the lower price limit.

If the last execution price is higher than the upper price limit, the execution price will be set at the upper price limit.

Otherwise, the execution price will be set at the last execution price.

### 6.8.2. Pre-Trade and Post-Trade Safeguards

#### 6.8.2.1. Volatility Management

In Continuous Trading to ensure price quality and manage volatility on the Central Limit Order Book of DLT Financial Instruments 21X AG may decide to:

- (a) partially execute Orders without impact on market running, or
- (b) trigger a general trading halt.
- (c) The allocation of DLT Financial Instruments between those mechanisms is determined solely by 21X AG, with a view to facilitating the fair, efficient and orderly trading of such DLT Financial Instruments.
- (d) Partial Execution of Orders within the Volatility Price Range
- (e) Where the execution of an Order is bound to provoke a Volatility Price Range breach on the relevant DLT Financial Instrument, the Order may be partially executed at the prices inside the

Volatility Price Range subject to specific quantity execution conditions. Volatility Price Ranges shall be determined by 21X AG. Continuous trading is not halted. Order execution will continue on the basis of the adjusted Volatility Price Range if the Participant confirms that the original Volatility Price Range is to be crossed.

(f) Trading Halt

Where the execution of an Order is bound to provoke a Volatility Price Range breach on the relevant DLT Financial Instrument, 21X AG may temporarily interrupt the execution of such Orders for the portion which would be traded outside the Volatility Price Range and therefore put the whole market in reservation mode. Volatility Price Ranges shall be determined by 21X AG in the Trading Halt Policy.

6.8.2.2. Trading Suspensions

21X AG may suspend trading in any DLT Financial Instrument in order to prevent or halt disorderly market conditions, either on its own initiative, and in its sole discretion, or at the reasoned request of the relevant Issuer.

21X AG shall also suspend trading in any DLT Financial Instrument upon the request of a Competent Authority.

All Participants and Issuers shall be immediately informed about a trading suspension.

6.8.2.3. Trade Cancellation

21X AG may cancel transactions on its own authority if they have been made:

- (a) in violation of this Rulebook, particularly those Rules relating to the principles of fair, orderly and efficient market operation; or
- (b) under improper trading conditions; or
- (c) further to a manifested material error.
- (d) In addition, and upon request of one of the counterparties to a transaction:
- (e) 21X AG may, for certain kinds of DLT Financial Instruments defined in a Notice, cancel transactions executed at an aberrant price; or
- (f) 21X AG may cancel transactions with the agreement of the other counterparty or counterparties, based on explanations provided by the Participant concerned.

21X AG shall inform the market as promptly as possible upon such a cancellation if made during the trading cycle, at the latest before the opening of the following trading session.

For the avoidance of doubt, 21X AG shall not take into account the consequences of a trade cancellation on subsequent transactions.

6.9. CONFIRMATION, REPORTING AND PUBLICATION

6.9.1. Confirmation

6.9.1.1. 21X AG shall make available the details of the Orders entered into the Central Limit Order Book on blockchain and via the backend system of 21X. All the Orders entered in the Central Order Book shall be given a sequential number per DLT Financial Instrument.

6.9.1.2. Transaction Reporting

This Rule governs only transactions (i.e., trades made under the Rules of 21X DLT-TSS) and is without prejudice to the transaction reporting obligations set forth by European and national regulations implementing Art. 26 of MIFIR.

Transactions carried out in the Central Limit Order Book are automatically and immediately deemed to have been effected on, and reported to, the 21X DLT-MTF operated by the 21X AG.

## 6.9.2. Publication

For the purposes of this Rule, "**Publication**" shall be construed as dissemination to Participants, eligible information vendors and other natural persons or legal entities which have entered into a 21X AG market databases distribution agreement.

### 6.9.2.1. Pre-Trade Transparency

Except for Orders exempted from pre-trade transparency, 21X AG shall continuously publish for all DLT Financial Instruments the top 50 open buy and sell orders including their quantities and price limits:

- (a) the market by limits, i.e., the bid and offer limits in the Central Limit Order Book, including the number of Orders and total disclosed Order quantity at each such limit; and
- (b) the best bid and offer, i.e. the best bid and offer limits in the Central Limit Order Book, including the number of Orders and the total disclosed Order quantity at each such limit.

### 6.9.2.2. Post-Trade Transparency

For each transaction carried out in the Central Limit Order Book, 21X AG shall publish the quantity, price, and time of execution of such transaction.

## **7. RULES OF CONDUCT**

### **7.1. GENERAL**

This chapter sets forth Rules of conduct specific to 21X DLT-TSS which the Participants must observe when using the 21X DLT-TSS.

### **7.2. GENERAL DUTIES OF INTEGRITY, FAIR DEALING AND CARE**

When using the trading and settlement services on the 21X DLT-TSS, a Participant shall:

- (a) observe high standards of integrity, market conduct and fair dealing;
- (b) act with due skill, care, and diligence; and
- (c) refrain from any act or course of conduct which is likely to harm the reputation of 21X AG;
- (d) behave in a responsible manner when using the 21X DLT-TSS;
- (e) when acting on behalf of clients shall ensure that, pursuant to Applicable Regulations, each such client has been informed of the risk characteristics of the DLT Financial Instruments concerned.

### **7.3. COOPERATION WITH 21X AG**

In dealing with 21X AG, its directors, officers, employees, agents and representatives, Participants shall act in an open and cooperative manner, be honest and truthful and not mislead or conceal any material matter.

In particular a Participant shall:

- (a) provide full and prompt responses to all requests for information by 21X AG in respect of business conducted on 21X DLT-TSS or business related thereto and provide access to all relevant books, records, audio logs and other forms of documentation, and
- (b) notify 21X AG promptly of any matter which may reasonably be expected to be a matter of concern to 21X AG in the context of its relationship with such Participant, including (without limitation) any corporate action or other event that may cause such Participant to cease to be in compliance with the Rules. This duty of disclosure shall arise as soon as the Participant becomes aware, or has reasonable grounds for believing, that such a matter has arisen or will arise.

### **7.4. PROHIBITED CONDUCT AND TRADING PRACTICES**

In conducting business for itself or on behalf of its clients, a Participant must not engage in or attempt to engage in any Market Abuse and, in particular, must not engage in, knowingly facilitate, or fail to take reasonable steps to prevent:

- (a) any action or omission that would constitute fraud;
- (b) any action or any course of conduct that has the effect, or may be expected to have the effect, of artificially and/or abnormally moving the price or value of any admitted DLT Financial Instrument or the level of any index of which the admitted DLT Financial Instrument is a component;
- (c) entering artificial Orders or otherwise entering into or causing any artificial transaction;
- (d) reporting a fictitious transaction or any other false data to 21X AG or causing such data to be input into any 21X DLT-TSS systems;
- (e) any action or any course of conduct that creates or may reasonably be expected to create any false or misleading impression as to the market in, or price or value of, any admitted DLT Financial Instrument or any other unfair trading conditions;

- (f) engaging in any action for the purpose of employing Algorithmic trading or a High-frequency trading technique as defined in Article 4(1)-point (40) MiFID II;
- (g) submitting any Order or any message, or engage in any action for the purpose of enabling a third party to submit any Order or any message, to 21X DLT-TSS by way of Sponsored Access;
- (h) submitting any Order or any message to 21X DLT-TSS for the purposes of testing or workflow validation;
- (i) engaging in practices which may cause degradation of the service or give rise to a disorderly market, which include practices, but are not limited to, submitting unwarranted or excessive electronic messages or requests to the 21X DLT-TSS;
- (j) any other action or any other course of conduct that may damage the integrity and the transparency of 21X DLT-TSS; or
- (k) agreeing or acting in concert with, or providing any assistance to, any natural person or legal entity (whether or not a Participant) with a view to or in connection with any action or course of conduct referred to in paragraphs (a) to (j) or otherwise causing or contributing to a breach of any applicable Rule by such other natural person or legal entity.
- (l) For the avoidance of doubt, a Participant is responsible for all business conducted in its name, whether or not such business has been executed on behalf of a client.

7.4.2. If a Participant becomes aware of any action or course of conduct taken by a client or by a Responsible Person or an individual trading through a Responsible Person which is or appears to be inconsistent, it shall report it promptly to 21X AG. Each Participant should ensure that it has adequate controls and procedures to identify activity by its clients or by or through its Responsible Persons.

## 7.5. AUDIT TRAIL (PARTICIPANTS OTHER THAN NON-PROFESSIONAL CLIENTS)

### 7.5.1. Recording of Order Details

7.5.1.1. A Participant shall ensure that each Order received from a client is recorded and time-stamped immediately by a process other than handwriting. The Order record must be time-stamped again on execution and also at the time of any amendment or cancellation of the Order by the client.

7.5.1.2. Order records may be maintained by electronic means or by any other means specified by 21X AG.

7.5.1.3. Order records must contain the Order's data listed in the Annex of the Delegated Regulation (EU) 2017/580 and any additional information required by 21X AG.

7.5.1.4. All Order records, of whatever kind, must be:

- (a) robust, secure, and not prone to alteration;
- (b) made available:
- (c) immediately on the day of the transaction; and
- (d) within a reasonable period of time thereafter, where required by 21X AG; and
- (e) presented in a manner which is easily decipherable by 21X AG.
- (f) Participants must have suitable contingency procedures in the event of systems failure, such that no loss of Order records audit trail data can occur.

### 7.5.2. Retention of Information

A Participant shall maintain for a period of at least five years records of:

- (a) modifications thereof as well as rejected Orders;
- (b) Orders, arranged chronologically, pursuant to Rule 7.5.1.1; and transactions and, if applicable, the settlement thereof and the custody of DLT Financial Instruments traded on the 21X DLT-TSS.
- (c) All records maintained pursuant to this Rule shall be available for inspection by 21X AG.

## **8. SUSPENSION OF PARTICIPANTS**

### **8.1. Circumstances for suspension**

21X AG is entitled, generally at its own discretion, to suspend, restrict or impose conditions on the ability of a Participant and/or a Responsible Person to access or use the 21X DLT-TSS (including delaying, temporarily hiding or deleting orders) or at least issue a written warning regarding the enforcement of these measures in certain circumstances.

As far as circumstances are concerned that relate to a "default" of the Participant within the meaning of Art. 2 (1) No. 26 of Regulation (EU) 909/2014 (i.e. opening of insolvency proceedings), the 21X Default Management Policy must be observed, which could lead, inter alia, to automatic suspension measures. 21X AG implemented effective and clearly defined rules and procedures in accordance with Art. 41 (1) of the Regulation (EU) No. 909/2014 to mitigate risks arising from the default of a Participant by ensuring that 21X AG can take timely action to contain losses and liquidity pressures and continue to meet its obligations while ensuring that market disruption can be limited and changes to the practices of non-defaulting Participants can be avoided. The Default Management Policy of 21X AG is available to the public via its website [<https://21x.eu/>].

For the avoidance of doubt, the 21X Default Management Policy also applies to natural persons.

The following circumstances are deemed as circumstances for suspension (ordered by category):

#### **8.1.1. Failure to comply with the Rulebook**

If the Participant and/or any of its Responsible Persons are in breach of the 21X AG Rulebook, 21X AG shall assess each case depending on its severity and impact. Appropriate measures shall be taken, from warnings to suspension, depending on the result of the assessment.

#### **8.1.2. Default of a Participant**

Upon notification that insolvency proceedings have been opened against the Participant, as further described in the 21X Default Management Policy, or upon other receipt of a notification from 21X AG that insolvency proceedings have been opened against a Participant, 21X will automatically initiate the 21X Default Management Policy against the Participant. As 21X AG aims to reduce the need for retroactive reversals and to enhance market stability, the Participant is aware that in the event of a default, in accordance with the 21X Default Management Policy, the Participant shall automatically be suspended from trading and settlement services. 21X AG will remain in close contact with the competent authority in such cases.

#### **8.1.3. Default scenario EMT provider**

If the EMT provider defaults, 21X AG shall, in addition to initiating the 21X Default Management Policy, act in replacing the EMT provider. The EMTs in circulation shall remain available and the EMT providers have the possibility to exchange them for the corresponding redemption proceeds. Due to escrow arrangements and management of the underlying assets backing the EMTs, there is no risk of loss, however, the operational execution may be managed by a different EMT provider.

#### **8.1.4. Regulatory Violations**

If the Participant and/or any of its Responsible Persons are in breach of Applicable Regulations, 21X AG shall strictly follow the instructions of the respective Competent Authority or if 21X AG is informed of the breach from other sources or its own surveillance, an investigation shall start, and the Competent Authorities shall be notified.

#### 8.1.5. Financial Viability

If the Participant fails to settle any outstanding amounts owed to 21X AG within the payment period specified in the applicable fee schedule and does not respond to any related payment communications.

#### 8.1.6. Market Manipulation

If the Participant is identified as a party performing insider trading or any other form of market manipulation, 21X AG shall assess the severity of the manipulation and work with the respective Competent Authority to take appropriate action.

#### 8.1.7. Admission Criteria

If the Participant does not, or no longer meets, the participation conditions.

#### 8.1.8. Non-compliance with KYC or AML requirements

If the Participant is no longer compliant with regards to KYC or AML regulations, 21X AG shall take immediate action to limit the Participant's ability to trade. Additionally, 21X AG shall collaborate with the relevant Competent Authorities for further investigation and to determine, and implement, any relevant additional measures to be taken against the Participant.

#### 8.1.9. Risk Management Concerns

If the Participant and/or its Responsible Persons have engaged in conduct or trading strategies that posed or may pose a material risk to the stability, integrity, or orderly functioning of the market, thereby constituting a default for risk management purposes.

#### 8.1.10. Technology or System Failure

The occurrence of an Emergency on the Participant's side, respectively the Participant's owned and operated systems, and which may prevent proper interaction with 21X DLT-TSS. 21X AG may suspend the Participant for the duration of the failure or Emergency. Repeated failures may lead to additional measures being taken that could finally result in permanent suspension.

#### 8.1.11. Competent Authority Request

21X AG fully complies with the request of a Competent Authority asking to suspend a Participant.

#### 8.1.12. Operational Failures and Concerns

Repeated operational failures or material breaches of cybersecurity protocols by the Participant that threaten the stability or integrity of the 21X DLT-TSS may constitute a default and lead to suspension or termination of access.

8.1.13. A default or Suspension Event shall arise upon expiry, or notice of expiry, of 21X AG's license to operate the 21X DLT-TSS. In such cases, 21X AG may designate a date up to six (6) months prior to the license expiry as the effective Suspension Event date, in order to ensure an orderly wind-down of operations.

The aforementioned measures may also be taken by 21X AG, if 21X AG has another legitimate interest, in particular to protect other Participants from fraudulent activities. When choosing a measure, 21X AG shall consider the legitimate interests of the Participant and/or Responsible Person concerned, in particular, specific circumstances for which the Participant and/or Responsible Person was not at fault in regard to the respective breach or violation.

## 8.2. Violation of rules

If a Rule has been violated, 21X AG may:

8.2.1. Require the Participant to fulfil its obligations, or require rectifying action, in accordance with this Rulebook, within a term specified by 21X AG;

8.2.2. Partially, or fully, suspend the Participant's ability to trade for no more than six months;

8.2.3. Terminate access to certain systems;

8.2.4. Publish all, or part, of the decision taken by 21X AG.

8.2.5. The relevant Participant shall be informed of the decision of 21X AG by email.

## **9. SUSPENSION AND REMOVAL FROM TRADING OF DLT FINANCIAL INSTRUMENTS**

### **9.1. SUSPENSION OF TRADING**

21X AG may permanently or temporarily suspend the trading of a DLT Financial Instrument on its own initiative (notably in case of non-compliance by the Issuer with this Rulebook, in the event of a default of the Issuer in accordance with the Default Management Policy or with evidence based on market surveillance), on the Issuer's demand to enable information to be provided to investors in a satisfactory manner or upon request of the Competent Authority in the interest of the market.

### **9.2. REMOVAL FROM TRADING**

Subject to Applicable Regulations, 21X AG may delist DLT Financial Instruments for any appropriate grounds, including the following situations:

- (a) Corporate Action on the DLT Financial Instrument: if all the DLT Financial Instruments in question are either redeemed (for DLT Bonds) or extinguished (for rights), unless 21X AG accepts a reasoned request from the Issuer to delist such type of DLT Financial Instruments earlier.
- (b) Corporate Action on the Company Voting Rights or Capital Structure: Where a natural person or legal entity, or a group of such persons or legal entities acting in concert, owns 90% of the capital or voting rights and has issued an offer to buy out the other shareholders, either by the group of persons or the Issuer itself (it being understood that the 90% threshold may have been reached as a result of this offer or may correspond to a prior holding). The offer must be open for at least 25 Business Days and must be disclosed using procedures that make it possible to inform all shareholders, regardless of the form in which they hold their DLT Shares.
- (c) The Offeror and the executing intermediary must make directly available to the other shareholders the Issuer's latest financial statements as well as an appraisal report prepared by an independent appraiser.
- (d) Corporate Action on the Legal Entity: The Issuer has been dissolved following a merger into another company, liquidation, or an official order for a disposal plan, as soon as 21X AG is made aware of the relevant court ruling.
- (e) Other Types of Corporate Actions: Where other types of Corporate Actions occur that require a removal from trading. 21X AG must assess each occurrence of such a Corporate Action for impact on the 21X DLT-TSS.
- (f) Compulsory administration: At the request of the receiver in the event of compulsory administration.
- (g) Breaches by the Issuer: Withdrawal of the Issuer of the relevant national trade and company registry and more generally breaches by the Issuer of its corporate legal and regulatory obligations to file accounts, observed over a significant period.
- (h) Failure to comply with this Rulebook: Manifested failure of the Issuer to comply with the obligations pursuant to this Rulebook.

Default of the Issuer: In the event of a default of the Issuer within the meaning of Art. 2 (1) No. 26 of Regulation (EU) 909/2014 (i.e. opening of insolvency proceedings) in accordance with the Default Management Policy.

- (i) Trading Conditions: In the opinion of 21X AG, facts or developments occur or have occurred with regard to a DLT Financial Instrument which prevent the continued trading of that DLT Financial Instrument, or which cause 21X AG to believe that a fair, orderly, and efficient market for a DLT Financial Instrument cannot be maintained.
- (j) Reputational damage: Facts or developments occur or have occurred in respect of an Issuer which in the opinion of 21X AG are detrimental to the reputation of 21X AG as a whole.

(k) Regulatory Changes: In the event of changes or amendments to the DLTR that affect the admissibility of DLT Financial Instruments, the concerned DLT Financial Instruments will be removed from trading in accordance with regulatory requirements.

(l) Sanctions: The Issuer or its Beneficial Owners show on the EU Sanction List, or the list drawn up by the Office of Foreign Assets Control (OFAC) or show on other sanction lists by a Competent Authority applicable to 21X AG.

### 9.3. PUBLICATION

9.3.1. 21X AG will comply with the obligation and publish the suspension or removal decisions on the Website without delay. Additional publications via other media will only be made with simultaneous or prior publication on the Website to ensure that the information is made available to everyone at the same time.

9.3.2. 21X AG will immediately notify the Competent Authority of a decision to suspend a DLT Financial Instrument pursuant to Regulation (EU) 2017/1005.

## **10. SPECIFIC PROVISIONS APPLICABLE TO DLT UCITS**

### **10.1. DLT UCITS ADMISSION TO TRADING CONDITIONS**

21X AG admits to trading those DLT UCITS that have been set up in a country of the European Union or in third countries that are considered equivalent from the regulatory perspective, such as Norway or Switzerland. Additional countries will be added through a Notice.

### **10.2. DLT UCITS REMOVAL FROM TRADING**

21X AG removes from trading a DLT UCITS when, in 21X AG's judgment, the conditions for orderly and efficient trading are no longer met.

### **10.3. DLT UCITS TRADING CONDITIONS**

10.3.1. Orders are handled and matched according to Rule 6.2.

10.3.2. Trading in the DLT UCITS shall be suspended if the market of reference of the DLT UCITS is itself suspended.

10.3.3. The market of reference shall be construed based on the 21X DLT-TSS where the average daily turnover is the highest; the determination of the market of reference shall be periodically reviewed by 21X AG.

## **11. ADMISSION TO TRADING OF MARKET MAKERS AND LIQUIDITY PROVIDERS**

### 11.1. MARKET MAKERS

#### 11.1.1. Application for Admission

11.1.1.1. Participants that are investment firms may, for each DLT Financial Instrument tradable in Continuous Trading, apply for admission as Market Maker and enter into a market making agreement with 21X AG. The admission is preceded by a basic Participant admission as described in Rule 2.

11.1.1.2. In Continuous Trading for each DLT Financial Instrument that a Participant, that is an investment firm, includes in a market making strategy, an admission as Market Maker on the 21X AG is required, and the Participant must enter into a market making agreement with 21X AG.

11.1.1.3. 21X AG decides on the application for admission.

11.1.1.4. 21X AG shall publish on its Website and regularly update the list of Market Makers and relevant information relating to their activities and DLT Financial Instruments covered by those market making schemes.

#### 11.1.2. Obligations of Market Makers

Market Makers shall, during half of the Business Days over a one-month period, in execution of the market making strategy, continuously post firm, simultaneous two-way quotes of comparable size and competitive prices and deal on their own account in at least one DLT Financial Instrument as determined in the Market Maker contract per asset class, for at least 50% of the daily Trading Hours of Continuous Trading on the 21X DLT-TSS for all asset classes. For the avoidance of doubt, 21X AG considers the following quote parameters:

(a) A quote shall be deemed to be a firm quote where it is binding by including Orders and quotes that under the Rules of the 21X DLT-TSS can be matched against an opposite Order or quote;

(b) Quotes shall be deemed simultaneous two-way quotes if they are posted in such a way that both the bid and the ask-price are present in the Central Limit Order Book at the same time;

(c) Two quotes shall be deemed of comparable size when their sizes do not diverge by more than 50 % from each other;

(d) Quotes shall be deemed to have competitive prices where they are posted at or within the maximum bid-ask range set by 21X AG (in a Notice varying depending on the DLT Financial Instrument at hand) and equally imposed upon every Market Maker that has signed a market making agreement with 21X AG.

11.1.2.2. Market Makers must immediately notify 21X AG in the event of an occurrence or a termination of exceptional circumstances within the meaning of Art. 3 Delegated Regulation (EU) 2017/578 and, if requested by 21X AG, provide evidence.

11.1.2.3. Market Makers must be constantly available during Trading Hours.

11.1.2.4. Market Makers are obliged to separately record all transactions and market maker quotes that they enter as Market Makers and to retain those records for at least five years.

11.1.2.5. Market Makers must have efficient systems and control mechanisms available to ensure the fulfilment of their obligations pursuant to this Rule 11.1.2 (Obligations of Market Makers).

11.1.2.6. Algorithmic trading is permitted exclusively for registered market makers or designated liquidity providers, subject to prior approval by 21X AG. All other participants may access the trading venue only via manual or non-automated means.

## 11.2. LIQUIDITY PROVIDERS

11.2.1. When 21X AG considers it to be in the interest of the market that liquidity in a particular admitted-to-trading DLT Financial Instrument shall be improved, it may implement programs whereby one or more Participants not pursuing any market making strategy as defined in Art. 17(4) and 48(2) of MIFID II, assume the role of Liquidity Provider for such DLT Financial Instrument.

11.2.2. 21X AG shall publish on its website and regularly update the list of Liquidity Providers and information relevant to the liquidity provision programs.

## 12. RECORDING AND SETTLEMENT OF DLT FINANCIAL INSTRUMENTS ON THE 21X DLT-TSS

As part of the 21X DLT-TSS, the 21X AG provides DLT-SS services by operating a settlement system that settles transactions in DLT Financial Instruments against payment or against delivery, and that allows the initial recording of DLT Financial Instruments.

### 12.1. TOKENIZATION AND RECORDING OF DLT FINANCIAL INSTRUMENTS

12.1.1. DLT Financial Instruments that are traded and settled on the 21X DLT-TSS require to be tokenized according to the standards determined by 21X AG.

(a) When 21X AG acts as a Crypto-Securities Registrar, only 21X AG may deploy the Token Smart Contract which belongs to the DLT Financial Instrument to be recorded in the 21X DLT-TSS and to be admitted to the trading and settlement system ("**Token Smart Contract**"). 21X AG controls and administers the Token Smart Contract of the DLT Financial Instrument.

(b) To deploy the Token Smart Contract the following parameters must be provided by the Issuer: token name, symbol, the number of decimal points, the public wallet address of the Issuer. Once the Token Smart Contract is deployed by 21X AG, 21X AG receives from the Issuer the number of tokens to be minted.

(c) To initiate the first time-issue of a DLT Financial Instrument the mint function of the Token Smart Contract needs to be called. This function is to be invoked upon mutual approval either by the Issuer or by 21X AG. The function mints the DLT financial instrument token and records the DLT Financial Instruments in the 21X DLT-TSS. <sup>[05]</sup>

(d) Administrative smart contract functions such as mint or burn (the latter to destroy tokens) may be further used upon mutual approval of the Issuer and 21X AG to increase or decrease the amount of DLT financial instrument tokens corresponding to the implementation of specific corporate actions, corporate redemptions (including full and partial calls, maturities, terminations, and other events), or other Issuer-driven mark-up or mark-down actions, due to necessities of the respective instruments or due to potential recovery or restoration events.

(e) The Issuer shall inform 21X immediately of circumstances that potentially affect the total amount of DLT Financial instrument tokens to be recorded in the 21X DLT-TSS and to be admitted to the trading and settlement system and shall provide 21X AG with the relevant documentation. Such circumstances especially include all corporate actions events (e.g. capital increases and decreases, share splits or mergers, issue of subscription rights, dividend payments). Upon notification, 21X AG will then validate (in close cooperation with the Issuer) the need for mint or burn actions.

(f) The mint and burn functions will only be processed in case of a successful validation and mutual approval of 21X AG and the Issuer. As no other party has access to the administrative smart contract functions, improper creation or deletion of securities is programmatically prevented. Furthermore, overdraft and debit balances are generally not possible due to the design of the DLT-TSS (prefunded orders and atomic settlement).

(g) In addition, and if applicable, redemption of DLT Financial Instruments may be facilitated by using functionality of the Token Smart Contract. The redemption process also allows holders of certain DLT Financial instrument tokens to exchange them for underlying value they represent insofar as this is legally permitted and in accordance with the terms of the issue.

(h) To record Crypto-Securities issued under the eWpG and Crypto Fund Units in the 21X DLT-TSS, 21X AG requires the Participant to be registered as the holder in the Crypto-Securities register pursuant to Sec. 17(1) and (2) eWpG for Crypto-Securities or pursuant to Sec. 2 KryptoFAV, Sec. 17(1) No. 3-4 and (2) eWpG for Crypto Fund Units.

(i) 21X AG may also admit DLT Financial Instruments based on tokens issued by third parties, that follow the tokenization standards specified by 21X AG and have passed the acceptance evaluation and approval process established by 21X AG to ensure compliance with regulatory requirements and the security and integrity of the issuance.

#### 12.1.2. Special Conditions for Crypto-Securities and Crypto Fund Units

For Crypto-Securities and Crypto Fund Units pursuant to the German Electronic Securities Act and the German Regulation on Crypto Fund Units for which 21X AG acts as the Crypto-Securities Registrar, the Issuer must provide the issuance conditions of the Crypto-Securities and Crypto Fund Units to be deposited with 21X DLT-TSS and the information required to be recorded in the Crypto-Securities register pursuant to Sec. 17(1) and (2) eWpG for Crypto-Securities or pursuant to Sec. 2 KryptoFAV, Sec. 17(1) No. 3-4 and (2) eWpG for Crypto Fund Units.

### 12.2. SETTLEMENT OF TRANSACTION IN DLT FINANCIAL INSTRUMENTS

#### 12.2.1. Disclosure of Information for Risk Management Purposes

Should the Participant be considered a Key Participant in the meaning of Art. 67(1) of Delegated Regulation (EU) 2017/392, the Participant – upon request by 21X AG – shall be obliged to disclose those of its clients that are responsible for a significant proportion of transactions processed by the 21X DLT-TSS or whose transactions, based on their volumes and values, are significant relative to the Participant's risk management capacity; the Participant shall ensure that for this purpose it is entitled to disclose its clients to 21X AG. 21X AG may request the Participant to disclose any information in order to identify, monitor, and manage the operational risks in the meaning of Art. 67(4) Delegated Regulation (EU) 2017/392; the Participant shall ensure that for this purpose it is entitled to also disclose information about its clients to 21X AG.

12.2.2. In performing its services, 21X AG must consider the Participant's rights, legal assets, and interests. 21X AG is obliged to take reasonable measures in order to prevent the Participant's rights, legal assets, and interests from being affected in an adverse manner; moreover, 21X AG must refrain from measures which recognisably could affect rights or legal assets of the Participant.

#### 12.2.3. Participant's General Obligations, Matching and Settlement, Settlement Finality, Irrevocability of Settlement Orders

##### 12.2.3.1. Participant's Own Wallet; No Operation of Securities Accounts

21X AG does not operate securities accounts in the meaning of Art. 2(1) No. 28 of Regulation (EU) 909/2014 on behalf of Participants.

The Participant is obliged to connect to the 21X DLT-TSS its own self-custodied wallet or a wallet operated by a custody provider on behalf of the Participant. The respective Participant's wallet address(es) need to be whitelisted by 21X AG prior to trading. For each wallet address the Participant shall be obliged to disclose to 21X AG whether the wallet or wallet address belongs to the Participant themselves, to one of its clients or to several of its clients. The Participant must notify 21X AG immediately of any changes.

#### 12.2.4. Trading and Settlement Currency

Transactions in DLT Financial Instruments executed on the 21X DLT-TSS shall only be settled against EMT in the Trading Currency pursuant to Rule 6.1.3 (Currency of Trading).

#### 12.2.5. Pre-funding of Orders, Order Book Smart Contract

12.2.5.1. Each Order must be pre-funded by the Participants. Participants cannot have outstanding Orders which are not backed by sufficient DLT Financial Instruments/EMTs.

12.2.5.2. Participants' Orders are directly transmitted by the Participants to the Polygon Blockchain, where they are processed by the smart contracts of the 21X DLT-TSS. Each DLT Financial Instrument's order book is associated with a distinct smart contract ("Order Book Smart Contract") with a unique Blockchain address. Upon receipt of an Order by the Order Book Smart Contract, DLT Financial Instruments or EMTs are transferred for pre-funding purposes from the Participant's wallet to the Order Book Smart Contract. In the event of an Order cancellation, the pre-funded assets are promptly returned to the originating wallets of the Participants. These operations are atomic, meaning that it is impossible for an Order to be entered or cancelled without a corresponding asset movement.

#### 12.2.6. Atomic Matching and Settlement, Pre-Matching, Settlement Finality

12.2.6.1. Matching and settlement of an Order on the 21X DLT-TSS happen in one atomic Blockchain transaction, i.e., the Order matching and settlement process cannot be separated.

12.2.6.2. The Participant acknowledges that during the processing of transactions on the Polygon Blockchain so-called "Chain-Reorgs" can occur. Chain-Reorgs could lead to the cancellation of a transaction that was already included in a block. In case of Chain-Reorgs an Order might not be executed to the initial pre-matched price and might be re-entered into the Order Book Smart Contract where it might be pre-matched again. However, this entails the risk that the Order is matched at a different (lower or higher) price within the limits set by the Participants.

12.2.6.3. Due to the possibility of such Chain-Reorgs, 21X AG considers a transaction matched in the Order Book Smart Contract only as pre-matched to an indicative price ("Pre-Matching"). The Participant acknowledges that 21X AG defines the moment of matching and settlement finality as the time when the Blockchain transaction including the Pre-Matching Order and Transfer Order is finally processed on the Polygon Blockchain. A transaction is deemed finally processed when the Polygon Blockchain displays updated balances in the respective DLT Financial Instruments and EMTs for the parties involved and 128 subsequent blocks (which takes approximately 256 seconds) to the block containing the Pre-Matching Order and Transfer Order in question have been added to the Polygon Blockchain ("Settlement Finality"). This applies accordingly even if the Participant had already received information in its wallet that a block containing the transaction has been added and broadcasted to the Polygon Blockchain.

12.2.6.4. The Participant is obliged to check immediately whether its wallet balances, account statements, statements of DLT Financial Instruments, notices on transfers are correct and complete; it shall notify 21X AG immediately of possible objections. Should the Participant not receive any account statements of DLT Financial Instruments it shall notify 21X DLT-TSS AG thereof. This obligation to notify 21X AG applies also in case of other communication expected by the Participant are not received.

12.2.6.5. Default of a Participant

In case of a default of the Participant in the meaning of Art. 2(1) No. 26 of Regulation (EU) 909/2014 (opening of Insolvency proceedings), the Participant shall be obliged to immediately inform 21X AG thereof In Writing. The Participant is aware that 21X AG implemented effective and clearly defined rules and procedures in accordance with Art. 41 para. 1 of the Regulation (EU) No. 909/2014 to deal with such default events (21X Default Management Policy).

12.2.6.6. Irrevocability of Transfer Orders; Insolvency Proceedings against a Participant

(a) A Participant's Transfer Order for a settlement transaction ("Transfer Order") shall be deemed orderly placed, at the time of Pre-Matching of the Order in the Order Book Smart Contract.

(b) If an Order Pre-Matching takes place, the Transfer Order for settlement purposes cannot be reverted or revoked anymore.

(c) Pre-matched Orders and the respective Transfer Orders shall be legally enforceable and binding on third parties even in the event of Insolvency proceedings against a Participant, provided that the Order Pre-Matching and the respective Transfer Order happened before the moment 21X AG has been notified of opening of such Insolvency proceeding as defined in Art. 6(1) of Directive 98/26/EC.

(d) Where Transfer Orders are entered into the 21X DLT-TSS' system after the moment 21X AG has been notified of opening of Insolvency proceedings and are carried out within the Business Day during which 21X AG has been notified of the Insolvency proceedings, the Transfer Orders shall be legally enforceable and binding on third parties only if 21X AG can prove that, at the time that such Transfer Order becomes irrevocable under the conditions outlined in Rule 12.2.6.5, it was not given reasonable time to inform the relevant department of 21X AG of the default or it was not given reasonable time to the relevant department of 21X AG to act accordingly.

(e) An Insolvency proceeding shall not have retroactive effects on the rights and obligations of a Participant arising from, or in connection with, its participation in the 21X DLT-

TSS before the moment of opening of such proceeding as defined in Article 6(1) of Directive 98/26/EC.

#### 12.2.7. Settlement Fails

Settlement fails are in general prevented by 21X AG by requiring each Order and the connected Transfer Order to be pre-funded by the Participant.

### 12.3. 21X DLT-TSS' SYSTEM AND Professional PARTICIPANT'S SOFTWARE

12.3.1. The Professional Participant shall ensure that the wallet software and software ("Participant's Software") it uses to connect to and use the 21X DLT-TSS' systems is suitable for this purpose.

12.3.2. 21X AG is entitled to update or amend the 21X DLT-TSS' systems at any time upon its sole discretion ("Release"). 21X AG shall notify the Professional Participant on any Release reasonably in advance ("Release Information").

Whenever 21X AG provides for a simulation and testing phase with respect to a Release ("**Simulation**"), 21X AG shall determine the content of the Simulation in an adequate manner. The Professional Participant shall participate in such Simulation, provided that participating in such Simulation has been specified as "mandatory" in the Release Information by 21X AG for those Professional Participants using the IT systems of 21X DLT-TSS that are subject matter of the Release. In case the participation in the Simulation is not specified as mandatory for the Professional Participant, the Professional Participant may still choose to participate in the Simulation. If any error or malfunction of the 21X DLT-TSS' systems occurs during the Simulation, the Participant Professional shall inform 21X AG about such error or malfunction without undue delay. If any error or malfunction of the Professional Participant systems occurs during the Simulation, 21X AG shall, on its part, inform the Professional Participant about such error or malfunction without undue delay. The Professional Participant shall, prior to the first use of the 21X DLT-TSS' systems after the implementation of a Release, provide 21X AG with a written statement confirming to 21X AG that (a) the respective Release has successfully undergone the Simulation described in detail in the respective Release Information and (b) that the Participant's Software including its wallet is interacting with the 21X DLT-TSS' system essentially without any errors or interruptions during the Simulation.

If a Release also requires an adaption, update or amendment of the Participant's Software, the Professional Participant shall (a) adapt, update, or amend its software accordingly to ensure that the Participant's Software interacts with the 21X DLT-TSS' systems without any errors or interruptions and (b) sufficiently test the functioning of the Participant' software prior to the first use.

A declaration by the Professional Participant stating that the 21X DLT-TSS' systems interact with the Participant's Software without any errors or malfunctions after the implementation of the Release shall be deemed to have been made if the Participant (a) either commences with the use of the 21X DLT-TSS' systems after the implementation of the Release or (b) fails, within a period of 15 Business Days after the implementation of the Release, to inform 21X AG about the occurrence of any errors or malfunctions with respect to the interaction of the 21X DLT-TSS' systems with the Participant's Software. 21X AG shall expressly draw the Professional Participant's attention to such legal consequence in the Release Information. In case of any malfunctions of the 21X DLT-TSS' systems, including the Releases, the Professional Participant shall be obliged to use the IT applications provided free of charge by 21X AG until the malfunction has been removed, provided the Professional Participant has been informed about this by 21X AG in advance. The provision of Releases or IT applications by 21X AG does not require the Professional Participant's approval.

#### 12.4. CLOCK SYNCHRONISATION

The Participant shall synchronize the business clocks it uses to record the date and time of any Order or Trade (reportable events) according to the standards set out in Delegated regulation (EU) 2017/574.

#### 12.5. CUSTODY ASPECTS

(a) 21X AG does not provide custody services to Participants. The custody of DLT Financial Instruments recorded and traded on the 21X DLT-TSS and EMTs lies with the Participant. Each Participant shall employ a reliable custody solution to safeguard their assets effectively. Participants acknowledge that they may lose access to their assets either by negligence or hack if the private keys of their wallets are not sufficiently and professionally protected. Furthermore, participants shall proceed carefully when transacting with their digital assets and they acknowledge that incorrect inputs in transactions may lead to failing transactions or loss of their assets.

(b) The following guardrails and assistance are in place in case of unintended transfer of DLT Financial Instruments and the loss of DLT Financial Instruments or access to wallets:

1. Tokens may be whitelist-controlled, in that case transfers to non-whitelisted addresses fail.

2. A recovery procedure is in place for DLT Financial Instruments and Crypto-Securities pursuant to eWpG and Crypto Fund Units pursuant to KryptoFAV, facilitated by 21X AG in case it operates as the Crypto-Securities Registrar, or another registrar service supported by 21X AG.

3. In other cases, 21X AG cannot resolve all contingency business cases regarding unintended transfer or loss of DLT Financial instruments on its own as not all token contracts may be under control of 21X AG, most notably the token contract of the EMT. 21X AG may assist participants and collaborate with the issuer of the respective DLT financial instrument, its registrar or EMT provider to enable the recovery or restoration of the tokens if possible.

### 13. TERMINATION

#### 13.1. TERMINATION CONDITIONS

The contractual relationship under these Rules and the position of a Participant may be terminated as follows:

13.1.1. Either party to this contract may terminate (*ordentlich kündigen*) the contractual relationship by giving 3 months' notice to the end of a calendar month. A termination may be declared by the Participant or Issuer In Writing via e-mail to support@21X.eu.

For Participants that are consumers, the Participant may terminate (*ordentlich kündigen*) the contractual relationship by giving two weeks' notice to the end of a calendar month. A termination may be declared by the Participant In Writing via e-mail to support@21x.eu.

13.1.2. Either party has the right to terminate the contractual relationship without a notice period, if there is an important reason (aus wichtigem Grund), on the basis of which the continuation of the contractual relationship is unacceptable for the terminating party, even with reasonable consideration of the legitimate interests of the other party. 21X AG considers that an important reason exists in particular in the following cases:

13.1.3. In the event of unauthorized use by the Issuer, the Participant, and/or Responsible Person;

13.1.4. Incorrect information was provided when entering the business relationship or registering on the 21X DLT-TSS;

(a) After conclusion of the contract, the compliance assessment of the Participant or Issuer changes seriously, for example because

(b) the Issuer or Participant has relocated its registered office to a third country or is preparing to relocate its registered office, in which 21X AG does not have a license to provide services, sanction rules exist or, in the assessment of 21X AG, has been classified as a high-risk area for compliance reasons;

(c) violations of legal, contractual, or internal requirements have occurred (including in the area of compliance, market integrity or market abuse, money laundering and terrorist financing).

(d) In the event that 21X AG terminates the contract with immediate effect (fristlos) for an important reason (aus wichtigem Grund), the respective Participant or Issuer has no legal entitlement (Rechtsanspruch) to be subsequently admitted to access or use the 21X DLT-TSS.

13.1.5. Upon the termination of the contract becoming effective:

(a) All rights and trading privileges of such former Participant and all trading access granted to its Responsible Persons shall be terminated;

(b) The Participant must immediately withdraw all Orders on the 21X DLT-TSS submitted by such Participant and its Responsible Persons which have not yet expired. 21X AG shall promptly cancel any such Order pending on the 21X DLT-TSS;

(c) 21X AG shall remove the DLT Financial Instrument of the Issuer from trading and deregister the DLT Financial Instrument from the 21X DLT-TSS' register;

(d) 21X AG shall make all relevant content available in a standard data format to the former Participant or Issuer for export or download and shall notify the Participant or Issuer accordingly. After 30-days of the Participant's or Issuer's receipt of such notification, 21X AG shall have no obligation to maintain or provide any content to the Participant or Issuer;

(e) The Participant or Issuer shall delete any software required to access or use the 21X DLT-TSS (as updated from time to time) from its systems and shall confirm such deletion to 21X AG In Writing (email included);

(f) Other than as contemplated by paragraph (d) above, the Participant or Issuer shall delete all content generated by or relating to the 21X DLT-TSS, 21X AG, other Participants and/or their Responsible Persons or third parties from its systems and shall confirm such deletion to 21X AG In Writing (email included);

(g) 21X AG shall continue to be entitled to use and store the Participant's or Issuer's content for as long as and to the extent required under Applicable Regulations and if 21X AG continues to operate the 21X DLT-TSS, the Participant or Issuer acknowledges that the

technology of the 21X DLT-TSS does not enable 21X AG to delete any Participant's or Issuer's content for as long as the 21X DLT-TSS is operated;

(h) All outstanding fees and expenses incurred by 21X AG up to the termination date shall become due and payable immediately. For Professional Participants, 21X AG has the right to charge expenses in connection with the business relationship that are incurred after the termination;

## 14. AMENDMENTS TO THIS RULEBOOK

14.1. 21X has the right in its discretion to amend the Rulebook with the effect for the future.

14.2. Amendments to this Rulebook which affect main contract duties or profoundly change the contractual structure ("**Material Amendments**"), generally require the conclusion of an amendment agreement between the Participant and 21X and thus the express consent of the Participant to the envisaged Material Amendments. 21X shall notify the Participant of the Material Amendments, highlight the changes and request the Participant's consent, at least four (4) weeks prior to their envisaged effective date via a notification on the 21X DLT-TSS platform (Website) and/or by e-mail. If the Participant do not agree to the amended provisions within the period granted, 21X reserves the right to terminate the contractual relationship with the Participant in accordance with Sec. 13.

14.3. Other amendments ("**Immaterial Amendments**") do not require the express consent of the Participant, if there is a good reason for them. Good reasons are:

- a) the correction of misleading regulations,
- b) the clarification of regulations,
- c) the change of service providers and contractors,
- d) the provision of new services which the Participant does not have to use or which are free of charge,
- e) the adaptation of form requirements and data formats,
- f) the adaptation of new legal requirements arising from supervisory law or tax law,
- g) the adjustment due to 21X international expansion and the accompanying need to have standardized Participant conditions,
- h) the agreement of ancillary obligations, provided that these are appropriate with regard to a balanced risk ratio of the interests affected within the framework of the Participant relationship,
- i) the adjustment does not entail any disadvantages for the Participant,
- k) other reasons similar to the above reasons.

21X will notify the Participant of the Immaterial Amendments, highlighting the changes at least four (4) weeks prior to their envisaged effective date via email. The Participant's approval of Immaterial Amendments shall be deemed to have been granted if the Participant has not notified 21X of his rejection within the four (4) weeks. 21 X will draw the Participant's attention to this effect as well as to the parties right to terminate the contract without a notice period (fristlos kündigen) in accordance with Sec. 13.

14.4. Each Participant or Issuer is entitled to terminate the contract without a notice period (fristlos kündigen), prior to the envisaged effective date of the amendment of the Rulebook in accordance with Sec. 13.

## **15. DATA PROTECTION AND USE OF DATA**

The processing of personal data in connection with this contractual relationship by 21X AG shall be carried out in accordance with the EU General Data Protection Regulation and the other relevant data protection laws. 21X AG provides information about the processing of personal data, including the transfer to third parties and the rights of the data subjects, in the annex <http://www.21x.eu/privacy> "21X AG Privacy Policy", which is part of the contracting package.

## **16. LIMITATION OF LIABILITY**

16.1. 21X AG makes no warranties that the Participant's or Issuer's use of the 21X DLT-TSS, the software required to operate the 21X DLT-TSS or its content will not infringe the rights of third parties.

16.2. 21X AG is liable to the Participant or Issuer only in cases of intent (Vorsatz) or gross negligence (grobe Fahrlässigkeit) and culpable bodily harm (damage to life, body, or health) by its legal representatives or vicarious agents (Erfüllungsgehilfen). If 21X AG or its legal representatives or vicarious agents (Erfüllungsgehilfen) violate an essential contractual obligation (wesentliche Vertragspflicht), 21X AG shall also be liable to the Participant or Issuer for simple negligence (einfache Fahrlässigkeit). An essential contractual obligation (wesentliche Vertragspflicht) is an obligation that must be fulfilled in order to properly implement this Rulebook at all and the compliance with which a party may generally rely on. In cases of simple negligent violation of essential contractual obligations, 21X AG's liability is limited to foreseeable damages typical for this type of contract.

16.3. 21X AG shall not be in breach of this Rulebook nor liable for delay in performing, or failure to perform, its obligations if such delay or failure results from events, circumstances or causes beyond 21X AG's reasonable control.

16.4. 21X AG is not responsible and assumes no liability for damages due to labour disputes (Arbeitskampf), pandemic and/or Force Majeure (höhere Gewalt).

### **16.5. LIABILITY OF THE ISSUER AND PARTICIPANT**

The Participant or Issuer shall indemnify and hold harmless 21X AG for and from any liabilities, losses, demands, damage, expenses, and costs, including without being limited to third party claims, directly or indirectly caused by any breach of this Rulebook by the Issuer, the Participant or any Responsible Person or its legal representatives or vicarious agents (*Erfüllungsgehilfen*).

## **17. MISCELLANEOUS**

17.1. The parties agree that this Rulebook, its interpretation, and any non-contractual obligations in connection therewith shall be governed by the substantive laws of the Federal Republic of Germany excluding the application of private international law and UN sales law.

(a) The courts of Frankfurt am Main, Germany, shall have non-exclusive jurisdiction to settle any dispute arising out of or in connection with the contractual relationship and this Rulebook (including a dispute regarding the existence, validity, or termination).

17.2. For clients other than consumers, this Rulebook is executed in English. For clients being consumers with residence in Germany, 21X DLT-TSS AG offers a German version of this Rulebook which shall be governing in respect of clients being considered consumers.

(a) Unless otherwise explicitly set out herein, any Notice required or permitted under this Rulebook or required by law must be In Writing.

(b) If any provision of this Rulebook is or becomes invalid or unenforceable in whole or in part, this shall not affect the validity of the remaining provisions of this Rulebook; the invalid or unenforceable provision shall be replaced by another valid and enforceable provision which the parties would have agreed with regard to the meaning and purpose of this Rulebook if they had considered the invalidity or unenforceability of the respective provision when concluding the contractual relationship under this Rulebook and which corresponds to the intentions of the parties with regard to the meaning and purpose of the contractual relationship. The preceding sentence shall apply mutatis mutandis if this Rulebook should contain a loophole.

17.3. This Rulebook, including its Appendices, sets forth the entire understanding and agreement of the parties and supersedes all oral or written agreements or understandings between the parties as to the subject matter of this contractual relationship. It may be changed only by a writing signed by all parties.

## 18. RIGHT OF WITHDRAWAL

Participants that are considered consumers have the right to withdraw their declaration of intent to enter into the contractual relationship. The following is a withdrawal instruction based on the template in accordance with Art. 246b Sec. 2(3) of the Introductory Act to the German Civil Code (*EGBGB*) in conjunction with Annex 3.

### Notice of the Right of Withdrawal

#### Part 1

##### Right of Withdrawal

You can withdraw your contractual declaration within 14 days without giving reasons by making an unambiguous declaration. The 14-day period begins after the conclusion of the contract and after you have received the terms of the contract, including the general terms of business, as well as all information listed below in Part 2 on a durable medium (e.g., letter, fax, email). If the declaration is made on a durable medium, the deadline for withdrawal is deemed to have been met if the declaration of withdrawal is dispatched in due time. The withdrawal is to be addressed to:

21X AG

Grosse Gallusstr. 16-18,  
60311 Frankfurt am Main (Germany)

E-Mail: support@21X.eu

#### Part 2

Information required in order for the Withdrawal Period to commence

The information within the meaning of Part 1 sentence 2 includes the following particulars:

1. the identity of the company; the public register of companies in which the legal entity is entered, and the associated registration number or equivalent means of identification must also be stated;
2. the main business of the company and the supervisory authority responsible for their authorisation;
4. the address
  - a) the summonable address of the company and any other address that is relevant for the business relationship between the company and the consumer, in the case of legal persons, associations of persons or groups of persons also the name of the authorized representative;
5. the relevant characteristics of the financial service as well as information on how the contract is concluded;
6. the total price of the financial service including all price components associated therewith as well as all taxes paid via the company or, when an exact price cannot be indicated, the basis for the calculation of the price enabling the consumer to verify it;
7. where relevant additional costs as well as a notice of the possibility that other taxes or costs may exist that are not paid via the company or imposed by the latter;
8. a notice indicating that the financial service is related to financial instruments involving special risks related to their specific features or the operations to be executed or whose price depends on fluctuations in the financial markets outside the company's control and that historical performance is no indicator for future performance:
9. a limitation of the period for which the information provided is valid, for example the period of validity of limited offers, in particular with regard to the price;
10. details for payment and for performance;

12. the existence or absence of a right of withdrawal and the terms, details of the exercise, in particular the name and address of the person to whom such withdrawal must be declared, and the legal consequences of the withdrawal, including information on the amount that the consumer must pay for the service provided in the event of withdrawal if the consumer is obliged to pay compensation (underlying provision: sec. 357b BGB or applicable national laws);
14. the contractual terms regarding termination, including any contractual penalties;
15. the Member States of the European Union whose laws are taken by the company as a basis for the establishment of relations with the consumer prior to the conclusion of the contract;
16. a contractual clause on the law applicable to the contract or on the competent court;
17. the languages in which the contractual terms and conditions and the prior information referred to in this Notice of the Right of Withdrawal are supplied, and the languages in which the company, with the agreement of the consumer, undertakes to communicate during the duration of this contract;
18. a notice indicating whether the consumer can make use of an out-of-court complaint and redress procedure to which the company is subject and, where applicable, the methods for having access to it;
19. the existence of guarantee funds or other compensation arrangements not covered by the deposit guarantee schemes created pursuant to Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes (OJ L 173 of 12 June 2014, p. 149; L 212 of 18 July 2014, p. 47; L 309 of 30 October 2014, p. 37) or the investor compensation schemes created pursuant to Directive 97/9/EC of the European Parliament and of the Council of 3 March 1997 on investor-compensation schemes (OJ L 84 of 26 March 1997, p. 22).

#### Part 3

#### Consequences of Withdrawal

In the event of an effective withdrawal, the services received by both parties must be returned. You are obliged to pay compensation for the value of the service provided up to the time of the withdrawal if you were made aware of this legal consequence before you submitted your contractual declaration and expressly agreed that rendering of the return service may commence before the end of the withdrawal period. If there is an obligation to pay compensation, this may mean that you must still meet your contractual payment obligations for the period up to the withdrawal. Your right of withdrawal will lapse early if both parties have fully performed the contract at your express request before you exercise your right of withdrawal. Obligations to reimburse payments must be met within 30 days. For you, this period will commence when you send your declaration of withdrawal, and for us, it begins when we receive such a declaration.

End of the Notice of the Right of Withdrawal

#### Widerrufsbelehrung

##### Abschnitt 1

##### Widerrufsrecht

Sie können Ihre Vertragserklärung **innerhalb von 14 Tagen ohne Angabe von Gründen mittels einer eindeutigen Erklärung widerrufen**. Die Frist beginnt nach Abschluss des Vertrags und nachdem Sie die Vertragsbestimmungen einschließlich der Allgemeinen Geschäftsbedingungen sowie **alle nachstehend unter Abschnitt 2 aufgeführten Informationen** auf einem dauerhaften Datenträger (z. B. Brief, Telefax, E-Mail) **erhalten haben. Zur Wahrung der Widerrufsfrist genügt die rechtzeitige Absendung des Widerrufs**, wenn die Erklärung auf einem dauerhaften Datenträger erfolgt. Der Widerruf ist zu richten an:

21X AG

Grosse Gallusstr. 16-18,  
60311 Frankfurt am Main (Germany)  
E-Mail: support@21X.eu

## Abschnitt 2

Für den Beginn der Widerrufsfrist erforderliche Informationen

Die Informationen im Sinne des Abschnitts 1 Satz 2 umfassen folgende Angaben:

1. die Identität des Unternehmers; anzugeben ist auch das öffentliche Unternehmensregister, bei dem der Rechtsträger eingetragen ist, und die zugehörige Registernummer oder gleichwertige Kennung;
2. die Hauptgeschäftstätigkeit des Unternehmers und die für seine Zulassung zuständige Aufsichtsbehörde;
4. zur Anschrift
  - a) die ladungsfähige Anschrift des Unternehmers und jede andere Anschrift, die für die Geschäftsbeziehung zwischen dem Unternehmer und dem Verbraucher maßgeblich ist, bei juristischen Personen, Personenvereinigungen oder Personengruppen auch den Namen des Vertretungsberechtigten;
5. die wesentlichen Merkmale der Finanzdienstleistung sowie Informationen darüber, wie der Vertrag zustande kommt;
6. den Gesamtpreis der Finanzdienstleistung einschließlich aller damit verbundenen Preisbestandteile sowie alle über den Unternehmer abgeführten Steuern oder, wenn kein genauer Preis angegeben werden kann, seine Berechnungsgrundlage, die dem Verbraucher eine Überprüfung des Preises ermöglicht;
7. gegebenenfalls zusätzlich anfallende Kosten sowie einen Hinweis auf mögliche weitere Steuern oder Kosten, die nicht über den Unternehmer abgeführt oder von ihm in Rechnung gestellt werden;
8. den Hinweis, dass sich die Finanzdienstleistung auf Finanzinstrumente bezieht, die wegen ihrer spezifischen Merkmale oder der durchzuführenden Vorgänge mit speziellen Risiken behaftet sind oder deren Preis Schwankungen auf dem Finanzmarkt unterliegt, auf die der Unternehmer keinen Einfluss hat, und dass in der Vergangenheit erwirtschaftete Erträge kein Indikator für künftige Erträge sind;
9. eine Befristung der Gültigkeitsdauer der zur Verfügung gestellten Informationen, beispielsweise die Gültigkeitsdauer befristeter Angebote, insbesondere hinsichtlich des Preises;
10. Einzelheiten hinsichtlich der Zahlung und der Erfüllung;
12. das Bestehen oder Nichtbestehen eines Widerrufsrechts sowie die Bedingungen, Einzelheiten der Ausübung, insbesondere Name und Anschrift desjenigen, gegenüber dem der Widerruf zu erklären ist, und die Rechtsfolgen des Widerrufs einschließlich Informationen über den Betrag, den der Verbraucher im Fall des Widerrufs für die erbrachte Leistung zu zahlen hat, sofern er zur Zahlung von Wertersatz verpflichtet ist (zugrunde liegende Vorschrift: § 357b des Bürgerlichen Gesetzbuchs);
14. die vertraglichen Kündigungsbedingungen einschließlich etwaiger Vertragsstrafen;
15. die Mitgliedstaaten der Europäischen Union, deren Recht der Unternehmer der Aufnahme von Beziehungen zum Verbraucher vor Abschluss des Vertrags zugrunde legt;
16. eine Vertragsklausel über das auf den Vertrag anwendbare Recht oder über das zuständige Gericht;
17. die Sprachen, in denen die Vertragsbedingungen und die in dieser Widerrufsbelehrung genannten Vorabinformationen mitgeteilt werden, sowie die Sprachen, in denen sich der Unternehmer verpflichtet, mit Zustimmung des Verbrauchers die Kommunikation während der Laufzeit dieses Vertrags zu führen;

18. den Hinweis, ob der Verbraucher ein außergerichtliches Beschwerde- und Rechtsbehelfsverfahren, dem der Unternehmer unterworfen ist, nutzen kann, und gegebenenfalls dessen Zugangsvoraussetzungen;

19. das Bestehen eines Garantiefonds oder anderer Entschädigungsregelungen, die weder unter die gemäß der Richtlinie 2014/49/EU des Europäischen Parlaments und des Rates vom 16. April 2014 über Einlagensicherungssysteme (ABl. L 173 vom 12.6.2014, S. 149; L 212 vom 18.7.2014, S. 47; L 309 vom 30.10.2014, S. 37) geschaffenen Einlagensicherungssysteme noch unter die gemäß der Richtlinie 97/9/EG des Europäischen Parlaments und des Rates vom 3. März 1997 über Systeme für die Entschädigung der Anleger (ABl. L 84 vom 26.3.1997, S. 22) geschaffenen Anlegerentschädigungssysteme fallen.

Abschnitt 3

Widerrufsfolgen

Im Fall eines wirksamen Widerrufs **sind die beiderseits empfangenen Leistungen zurückzugewähren**. Sie sind zur Zahlung von Wertersatz für die bis zum Widerruf erbrachte Dienstleistung verpflichtet, wenn Sie vor Abgabe Ihrer Vertragserklärung auf diese Rechtsfolge hingewiesen wurden und ausdrücklich zugestimmt haben, dass vor dem Ende der Widerrufsfrist mit der Ausführung der Gegenleistung begonnen werden kann. Besteht eine Verpflichtung zur Zahlung von Wertersatz, kann dies dazu führen, dass Sie die vertraglichen Zahlungsverpflichtungen für den Zeitraum bis zum Widerruf dennoch erfüllen müssen. **Ihr Widerrufsrecht erlischt** vorzeitig, wenn der Vertrag **von beiden Seiten auf Ihren ausdrücklichen Wunsch vollständig erfüllt ist**, bevor Sie Ihr Widerrufsrecht ausgeübt haben. **Verpflichtungen zur Erstattung von Zahlungen müssen innerhalb von 30 Tagen erfüllt werden**. Diese Frist beginnt für Sie mit der Absendung Ihrer Widerrufserklärung, für uns mit deren Empfang.

Ende der Widerrufsbelehrung

In this context, the Participant has taken note of the fact that, pursuant to Sec. 312g Para. 2 No. 8 BGB, that the Participant has no right to withdraw individual buy or sell Orders transmitted to 21X AG, as the price of DLT Financial Instruments depends on fluctuations on the capital markets, which 21X AG has no influence on and which may occur within the withdrawal period.

## **19. ESCALATION PROCEDURE FOR PARTICIPANTS AS PRE-LITIGATION DISPUTE SETTLEMENT MEASURES**

19.1. In order to avoid unnecessary judicial disputes, it is the common understanding of 21X AG and the Participant that an escalation procedure should first be followed before legal action is taken. However, this shall not apply if a party refuses or blocks the implementation of an escalation procedure or waiting to implement an escalation procedure is unreasonable for a party for specific reasons.

19.2. 21X AG and the Participant shall appoint a person as Relationship Manager who shall be available to the other party as the central contact person at operational level ("Relationship Manager"). In the event that the Participant is a natural person, the natural person itself shall be considered the Relationship Manager unless otherwise communicated by Participant. The Relationship Managers agree to a regular exchange on current issues at operational level.

19.3. In the event that a Participant is not a natural person, as a further measure, a steering committee shall be established consisting of the respective Relationship Managers and representatives of the Parties' management ("Steering Committee"). If disagreements or other critical issues cannot be resolved at operational level among the Relationship Managers, extraordinary escalation to the Steering Committee will result. The Steering Committee will convene via web meeting or a face-to-face meeting at short notice and will try to find a common solution that takes into account the interests of both parties.

19.4. 21X AG shall set up a communication channel for short-term inquiries from the Participants. This communication channel shall be set up at least based on e-mail correspondence, whereby 21X AG shall be available to the Participant at any time by e-mail. In addition, the Participant and 21X are free to agree further communication channels.

19.5. This escalation procedure does not affect the right of 21X AG or of the Participant to assert their claims before the courts remains unaffected.

## **20. APPENDIX I | INFORMATION DOCUMENT**

An Issuer shall provide, where relevant, an Information Document together with its application for admission of financial instruments to trading on 21X DLT-TSS. The list below contains guidance on the information that the Information Document must contain. The Information Document is drawn up under the responsibility of the Issuer and reviewed by 21X AG and by the Listing Sponsor (if applicable).

The Information Document shall notably include the following elements:

- 20.1. description of the Issuer, including the business model, organization, competitive situation, most significant markets, most significant risk factors and the reasons for the decision to apply for admission to trading;
- 20.2. the Issuer's annual reports or financial statements for the last two years, where relevant;
- 20.3. description of the Board of Directors and the Management of the Issuer;
- 20.4. all information about historical, or on-going, bankruptcy, liquidation, or similar procedure and also fraud related convictions or on-going procedures in which any person in the management and/or board of the Issuer has been involved. The historical information shall cover at least the five previous years where relevant;
- 20.5. description of significant contracts/patents, etc;
- 20.6. description of the ownership structure, including any shareholdings in the Issuer held by the Board of Directors, senior management, Listing Sponsor and Beneficial Owner;
- 20.7. description of any share-based incentive programs;
- 20.8. description of any transactions with persons discharging managerial responsibilities in the Issuer, board participants, affiliates to such persons, major owners, or another company within the same group as the applicant;
- 20.9. the date of the first annual general shareholder meeting following the application as well as the scheduled date for first publication of the audited or unaudited annual earnings figures or half-yearly report following such application, as the case may be;
- 20.10. the identity of the Listing Sponsor and any liquidity provider retained by the Issuer;
- 20.11. a detailed description of the shareholder structure up to the Beneficial Owners as defined in the Anti Money Laundering EU Legislation;
- 20.12. all relevant information about the financial instruments to be traded, including the Issuer's articles of association, information on the Issuer's share capital and breakdown by share class;
  - (a) other relevant information depending on specific circumstances, such as tax, litigation; and
- 20.13. if an Issuer does not possess documented earnings capacity, an explanation stating whether the Issuer possesses sufficient financial resources to be able to conduct the planned business for at least twelve months after the first day of trading. It shall also be made clear when the Issuer expects to be profitable and how the Issuer intends to finance its operation until such time.
  - (a) The following disclaimer shall be put on the first page of the Information Document:

"21X AG is the operator of 21X DLT-TSS which is a DLT Trading and Settlement System pursuant to the DLT Pilot Regime. Companies on 21X AG are not subject to the same rules as companies on

a Regulated Market. Instead, they are subject to a less extensive set of rules and regulations. The risk in investing in a company on 21X AG may therefore be higher than investing in a company on a Regulated Market.”

“The present Information Document does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when DLT Financial Instruments are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71.”

The following liability statement from the persons responsible for the Information Document shall be included in the Information Document:

“We declare that, to the best of our knowledge, the information provided in the Information Document is fair and accurate and that, to the best of our knowledge, the Information Document is not subject to any material omissions, and that all relevant information is included in the Information Document.”

The persons responsible for the Information Document, and any supplement thereto, shall be clearly identified in the Information Document by their names and functions or, in the case of legal persons, their names and registered offices, as well as declarations by them that, to the best of their knowledge, the information contained in the Information Document is in accordance with the facts and that the Information Document makes no omission likely to affect its import.

Publication of the Information Document:

(b) An Issuer shall announce that the Information Document shall be available by issuing a press release/announcement that the Information Document/prospectus shall be put on the Issuer’s website not later than two business days prior to the first Business Day.

(c) Prospectus and other exemptions:

(d) An Issuer is not required to prepare and issue an Information Document if a prospectus is published in connection with the admission to trading on 21X DLT-TSS. The relevant prospectus shall be provided to 21X AG.

## **21. APPENDIX II | LISTING SPONSORS**

### **21.1. POLICY WITH RESPECT TO LISTING SPONSORS**

Any company wishing to become a Listing Sponsor for 21X AG must apply for an accreditation. The accreditation of each applicant is subject to the prior written approval of 21X AG. Issuers that apply for an admission to trading on 21X AG can appoint a Listing Sponsor. Also, Issuers can appoint a Listing Sponsor on an ongoing basis to assist them in respect of their life on 21X AG, unless an exemption is granted by 21X AG. This Appendix sets out the eligibility requirements and the process for becoming a Listing Sponsor (accreditation) and the task and responsibilities (ongoing requirements) of a Listing Sponsor both in relation to the initial admission to trading and ongoing requirements of an Issuer.

### **21.2. ACCREDITATION AND ELIGIBILITY REQUIREMENTS**

Companies<sup>1</sup> that wish to apply for an accreditation as Listing Sponsor must satisfy the following conditions:

21.2.1. it has been active in advising companies on capital structure, strategy and related issues and has provided services related to mergers and acquisitions for a two (2) year period;

21.2.2. in the two (2) years prior to its application as a Listing Sponsor, it has completed at least two (2) equity transactions involving one or more companies which transactions included the drafting of Information Document;

21.2.3. it demonstrates that its staff (consisting of at least two (2) individuals) is suitably qualified and experienced in order to implement and maintain its operations as a Listing Sponsor;

21.2.4. it has set up internal rules implementing the requirements of the EU Market Abuse Regime and the European or Applicable Regulations on money laundering and EU sanctions restrictions and/or Office of Foreign Assets Control (OFAC);

(a) it has adequate professional indemnity insurance with a reputable insurer against liability arising from its activities as a Listing Sponsor.

21X AG may also take into consideration an application from a company which has been in existence for less than two (2) years provided that its staff is particularly qualified and has a high level of experience.

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<sup>1</sup> Only legal entities or partnerships can apply for an accreditation, not individuals.

### 21.3. ACCREDITATION PROCESS

21.3.1. Each company wishing to become a Listing Sponsor (hereinafter the "Applicant") shall submit a written application to 21X AG. Each Applicant shall use the application form prescribed by 21X AG.

21.3.2. 21X AG may, in its sole discretion, request additional application information and documents as it may consider relevant in the context of the application.

21.3.3. 21X AG shall, in its sole discretion, approve or reject an application or approve the application subject to such conditions and/or restrictions as it considers appropriate. In making its assessment 21X AG shall consider, among other things, the potential new business the Applicant is likely to bring to the market and how it might affect the reputation of 21X AG as a whole.

21.3.4. Also, 21X AG may conduct interviews with some or all of the Applicant's staff to make sure that they have sufficient knowledge of corporate finance, equity capital markets and the legal and regulatory framework in which they want to be active.

21.3.5. 21X AG shall decide upon an accreditation within one (1) month after the date it has received a complete application file and such other documents and information 21X AG may request in the context of an application.

21.3.6. If 21X AG has approved an application for a Listing Sponsor it shall include the new Listing Sponsor on the list of Listing Sponsors published on the 21X AG Website and inform Participants by issuing a Notice.

21.3.7. An accreditation or any rights or obligations arising from such accreditation cannot in any way be transferred or encumbered (except in case of a corporate restructuring (with no change of Beneficial Ownership), subject to the prior written approval from 21X AG.

### 21.4. GENERAL OBLIGATIONS TOWARDS 21X AG

21.4.1. Each Listing Sponsor shall be the primary contact for 21X AG in respect of the Issuers for which it acts as Listing Sponsor and shall be available during normal business hours to provide information to 21X AG in respect of such Issuer.

21.4.2. Each Listing Sponsor shall provide 21X AG with a principal point of contact.

21.4.3. Each Listing Sponsor shall promptly inform 21X AG if its obligations have been terminated or another Listing Sponsor has been appointed by an Issuer to take over its role as Listing Sponsor.

21.4.4. Each Listing Sponsor must provide 21X AG with any information, in such form and within such time limits as 21X AG may reasonably require. Each Listing Sponsor should reasonably satisfy itself that all such information provided is correct, complete, and not misleading.

21.4.5. Each Listing Sponsor must inform 21X AG as soon as possible (by email) of any matters that may affect it being a Listing Sponsor, including e.g. a formal warning or disciplinary proceeding by a Competent Authority, change in personnel and/or organization, change of its name, address or places of business, change of control and any material adverse change in its financial or operating position that may affect its capacity to act as a Listing Sponsor.

21.4.6. Each Listing Sponsor shall on an annual basis inform 21X AG of its activities, its organisational structure, its staff, contact details and the list of companies for which it acts as Listing Sponsor. The information shall be provided by submitting the annual certificate in the form prescribed by 21X AG.

## 21.5. TASKS AND RESPONSIBILITIES

### 21.5.1. Initial Admission to Trading

Each Listing Sponsor shall assist and guide each Issuer for which it acts as Listing Sponsor in respect of the admission to trading of its DLT Financial Instruments on the relevant market. The tasks and responsibilities of a Listing Sponsor include (without limitation) assisting the Issuer with the application for admission to trading of the relevant DLT Financial Instruments.

Each Listing Sponsor shall, in respect of an application for first admission to trading, certify In Writing to 21X AG that:

- (a) it has provided the Issuer with all material information regarding the legal and regulatory requirements arising from the proposed first admission to trading;
- (b) it has verified that the Issuer satisfies all conditions pertaining to the first admission to trading;
- (c) to the extent applicable, the shareholder structure required for the first admission to trading pursuant to 21X AG Rules shall or is likely to be reached in respect of the Issuer together with details of the financial institutions (if any), responsible for and the terms and conditions agreed with such institutions in respect of, the placement of the DLT Financial Instruments to be admitted to trading;
- (d) a Prospectus approved by a Competent Authority or an Information Document is made publicly available allowing potential investors to make an informed investment decision in respect of the Issuer and the DLT Financial Instruments to be admitted to trading;
- (e) it has conducted due diligence in respect of the Issuer in accordance with generally accepted procedures and using, among other things, the standard due diligence questionnaire prescribed by 21X AG; and
- (f) it has verified that the Issuer has taken satisfactory measures to ensure compliance with its ongoing and periodic reporting and disclosure obligations and with the Market Abuse Regime requirements (such as insiders list) required by Applicable Regulations and by the relevant Market Rules.

Each Listing Sponsor shall confirm the above to 21X AG by submitting a certificate in the form prescribed by 21X AG.

21X AG may request other certifications from a Listing Sponsor in the context of an admission to trading.

## 21.5.2. Ongoing Obligations

21.5.2.1. Each Listing Sponsor shall advise each Issuer for which it acts as Listing Sponsor in respect of the legal and regulatory requirements and contractual obligations resulting from the first admission to trading, including, without limitation, disclosure obligations following from Market Abuse Regime and monitor that the Issuer, upon admission and thereafter, complies with the admission and ongoing requirements.

21.5.2.2. Each Listing Sponsor shall advise each Issuer for which it acts as Listing Sponsor – for at least one (1) year from the date the relevant Issuer is admitted to trading – in respect of the legal and regulatory requirements and contractual obligations resulting from the first admission to trading, including, without limitation, disclosure obligations in respect of price-sensitive information.

21.5.2.3. Each Listing Sponsor shall maintain regular contact with the Issuer for which it acts as Listing Sponsor to be aware of developments and changes within the Issuer and the DLT Financial Instruments admitted to trading and shall notify 21X AG in case of breach of the relevant Rules and/or Applicable Regulations by an Issuer as soon as it becomes aware of it.

21.5.2.4. Each Listing Sponsor shall do its utmost to advise and accompany each Issuer for which it acts as Listing Sponsor by organizing one investor meeting per year at the minimum.

21.5.2.5. Each Listing Sponsor shall contact and provide advice to each Issuer for which it acts as Listing Sponsor if an Issuer does not comply with the relevant Rules or with other legal and regulatory requirements resulting from the first admission to trading in order to remedy the non-compliance. Upon request, the Listing Sponsor shall provide 21X AG with information in relation to Issuers for which it acts as a Listing Sponsor.

## 21.6. INDEPENDENCE AND CONFLICT OF INTERESTS

21.6.1. Each Listing Sponsor shall have internal procedures in place, organization, and routines to identify, mitigate, and disclose any conflicts of interests. If a Listing Sponsor has a potential conflict of interest in respect of an Issuer for which it acts as Listing Sponsor it shall inform 21X AG of the potential conflict of interest. A Listing Sponsor shall at the request of 21X AG provide satisfactory evidence to 21X AG that the potential conflict of interest shall not affect the performance of its duties.

21.6.2. Each Listing Sponsor shall be deemed to have such conflict of interest if, among other situations:

- (a) the Listing Sponsor provides an audit function in respect of financial statements of the Issuer for which it acts as Listing Sponsor without having set up appropriate information barriers and other relevant measures to segregate the relevant functions;
- (b) partners, managers, or employees (jointly or severally) of the Listing Sponsor hold a position with the Issuer for which it acts as Listing Sponsor;
- (c) the Listing Sponsor or any of its partners, managers or employees (jointly or severally) hold an interest in the capital or voting rights of the Issuer for which it acts as Listing Sponsor, provided that there shall be deemed no conflict of interest if the Listing Sponsor is subject to supervision from a Competent Authority and has set up appropriate “Chinese walls”.

## 21.7. MEASURES IN THE EVENT OF BREACH AND TERMINATION OF ACCREDITATION

21.7.1. If a Listing Sponsor is either in breach of its responsibilities under this Appendix or if 21X AG considers that the integrity and reputation of 21X AG has been or may be impaired as a result of its conduct or judgment, it may in relation to such Listing Sponsor issue a notice, ban the relevant Listing Sponsor from arranging new admission to trading and/or trading while maintaining all obligations pertaining to Issuers that it has assisted with a first admission to trading or terminate the Listing Sponsors' accreditation.

21.7.2. 21X AG may terminate an accreditation as a Listing Sponsor following an assessment of the relevant Listing Sponsor's activity and compliance by the relevant Listing Sponsor with its obligations under this Appendix.

21.7.3. If 21X AG has withdrawn an accreditation of a Listing Sponsor it shall remove the Listing Sponsor from the list of Listing Sponsors published by 21X AG on its Website and inform market Participants by issuing a notice to its Participants.