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ADDX
Private Markets Made Possible

ADDX EXCHANGE RULES

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1. General

1.1 Purpose and scope

1.1.1 The Exchange Rules seek to enable the Exchange to exercise a principal function, which is to provide a fair, orderly and transparent market for the trading of Issued Tokens on the ADDX Platform.

1.1.2 The Exchange Rules set out the requirements and obligations that govern the operation of the ADDX Platform and which apply to all Participants and Issuers. Each of the Participants and Issuers agrees that acceptance of, and compliance with, the Exchange Rules is a condition for admission to and participation on the ADDX Platform. Failure by a Participant or Issuer to comply with the Exchange Rules (or any part thereof) or with any decision of the Exchange made pursuant to the Exchange Rules shall constitute a breach of the Exchange Rules**.**

1.2 General principles

1.2.1 The Exchange Rules seek to secure and maintain confidence in the market. The general principles behind the Exchange Rules are that the:

(a) operation of the ADDX Platform is transparent and fair to all Participants and Issuers; and

(b) trading of Issued Tokens shall be conducted in a fair and orderly manner.

1.2.2 In the observance of the Exchange Rules and in areas or circumstances not explicitly covered by any Rule, all Issuers and Participants shall guide themselves not only by the letter but also the spirit of the Exchange Rules.

1.3 Administration of rules

1.3.1 The Exchange Rules are interpreted, administered and enforced by the Exchange, and the decisions and requirements of the Exchange are conclusive and binding on the Participants and Issuers. In the event of any inconsistency between parts of the Exchange Requirements, such inconsistency will be resolved by the Exchange, and such resolution is conclusive and binding on the Participants and Issuers.

1.3.2 The Exchange may, from time to time, issue practice notes to provide guidance on the interpretation and application of any rule, or to provide a more detailed prescription of a rule. Such practice notes shall be published on the ADDX Platform and will take effect from the date of publication, or such later date that the Exchange may specify, unless and until such practice note is specified to be revoked by the Exchange. The Exchange Rules are to be read together with any such practice notes. It is the responsibility of Participants and Issuers to regularly check the ADDX Platform for practice notes issued by the Exchange, and comply with the same.

1.3.3 The Exchange may impose additional requirements on any or all Participant(s), or make the trading of any or all Issued Token(s) subject to special conditions whenever it considers it appropriate.

1.3.4 The Exchange may establish committees or appoint such persons to monitor and enforce the Exchange Rules, or to otherwise assist in the operation of the ADDX Platform, and may delegate any power or role that it holds under the Exchange Rules to any such committee established or person appointed.

1.4 Waiver of rules

1.4.1 The Exchange may at its discretion waive or modify compliance with a rule either generally or to suit the circumstances of a particular case. The Exchange may grant a waiver subject to such conditions at its discretion.

1.4.2 A Participant or Issuer seeking a waiver must submit to the Exchange a request for waiver which must:

(a) be made in writing and addressed to the Exchange;

(b) be made at least 10 Business Days before the proposed waiver is sought to take effect;

(c) contain the reasons for seeking the waiver; and

(d) include:

(i) all information relevant to the request;

(ii) copies of all documents relevant to the request; and

(iii) details of any special circumstances or requirements, e.g. time period for which waiver is sought.

1.5 **Amendment of rules**

1.5.1 The Exchange Rules may be amended by the Exchange from time to time at its discretion.

1.5.2 Amendments to the Exchange Rules shall be published on the ADDX Platform and will take effect from the date of publication, or such later date that the Exchange may specify.

1.5.3 The Exchange is under no requirement or obligation to notify any person through any means other than as specified in Rule 1.5.2 before making any amendment to the Exchange Rules. It is the responsibility of Participants and Issuers to regularly check the ADDX Platform to be notified of any updates to the Exchange Rules.

1.5.4 Where any part of the Exchange Rules is amended or deleted, any proceedings, investigation or disciplinary or enforcement action in respect of:

(a) a right, privilege, obligation or liability acquired, accrued or incurred under the relevant rule in force at the time it was acquired; or

(b) a breach of, or act of misconduct under, the relevant rule in force at the time that breach or misconduct occurred,

may be instituted, continued or enforced, and any disciplinary action or penalty in respect of such breach or act of misconduct may be imposed and carried out by the Exchange, as if the relevant rule had not been amended or deleted.

1.5.5 The Exchange's rights to vary, amend or rescind the Exchange Rules may be exercised without the consent of any other person or entity.

1.6 **Exclusion of liability**

1.6.1 The Exchange shall have no liability to any Participant, Issuer or to any other person for any act done or omitted to be done in the course of, or in connection with, the performance, discharge or purported discharge of its duties, functions, responsibilities and/or obligations under the Exchange Rules. Without prejudice to the generality of the foregoing, in no event will the Exchange have any liability whatsoever to any Participant or Issuer for claims for damages made against such Participant or Issuer by third parties, regardless of the basis on which the Participant or Issuer is entitled to claim damages, whether based on contract, tort or any other legal or equitable grounds.

1.6.2 Without prejudice to other parts of the Exchange Rules, the Exchange, and their related corporations and any of their directors, officers, employees, representatives, third party service providers and agents, (collectively "**Indemnitees**") shall not be liable to any Participant, Issuer or to any other person for any losses, liabilities, damages, costs or expenses (including any direct, indirect, incidental, special, consequential or punitive damages or economic loss or any claims for loss of profits or loss of use) whatsoever or howsoever caused (regardless of the form of action) arising directly or indirectly from or in connection with the ADDX Platform (including the operation thereof), any Participant or Issuer (including any action taken by, or any inaction of, such Participant or Issuer), and/or any of the following:

(a) any breach of or delay or failure to comply with the Exchange Rules by any Indemnitee or any of the Participants or Issuers, any action taken by, or any inaction of, any Indemnitee or any of the Participants or Issuers in connection with the Exchange Rules or any applicable laws or regulations;

(b) any claim made by any Participant, Issuer or person on the basis of the Exchange Rules;

(c) any negligent act or omission or wilful default, misconduct or fraud or unlawful act of any Indemnitee, Participant or Issuer;

(d) any breach of any warranty or representation made by any person in any of the Exchange Rules;

(e) any suspension, interruption or closure of the ADDX Platform;

(f) the exercise or non-exercise by an Indemnitee in any decision-making power or discretion;

(g) any determination, decision or ruling of any Indemnitee, Appeals Committee and/or committees established or persons appointed by the Exchange pursuant to Rule 1.3.4;

(h) any failure, error, omission or negligence of any Indemnitee (including the malfunction of ADDX Platform, ADDX Blockchain, ADDX Wallet, ADDX Fiat Tokens and/or Issued Tokens);

(i) any Participant or Issuer's use, misuse or inability to use the ADDX Platform;

(j) any technical, system, server or connection failure, error, omission, interruption, delay in transmission, computer virus or other malicious, destructive or corrupting code, agent program or macros;

(k) any Participant or Issuer's failure to implement reasonable measures to secure its ADDX Wallet or the relevant access credentials or any loss of or unauthorised use of any access credentials;

(l) any technical and/or system failure of the ADDX Platform, ADDX Wallet and/or ADDX Blockchain; or

(m) any claim by any third party against any of the Indemnitees arising from the circumstances specified in any of the sub-clauses above.

1.6.3 Notwithstanding Rule 1.6.2 and any other provision of the Exchange Rules, at no time shall any Indemnitee be liable or responsible to any person for any and all pure economic loss, loss of profits, fall in the price of Issued Tokens, equitable compensation, loss of business, or any other direct, indirect or consequential losses whatsoever and howsoever caused (including whether or not resulting from any negligence, fraud or wilful default on the part of any Indemnitee) which arise out of or in connection with the Exchange Rules.

1.6.4 A person or entity who is not a party to these Exchange Rules shall have no right under the Contracts (Rights of Third Parties) Act 2001 or other similar laws to enforce any of these Exchange Rules, regardless of whether such person or entity has been identified by name, as a member of a class or as answering a particular description. The Exchange's right to vary these Exchange Rules may be exercised without the consent of any person or entity who is not a party to these Exchange Rules. For the avoidance of doubt, nothing in this clause shall affect the rights of any permitted assignee or transferee of these Exchange Rules.

1.7 **Governing law**

1.7.1 The Exchange Rules shall be governed by and construed in accordance with the laws of Singapore. Any dispute arising out of or in connection with these Exchange Rules, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre in accordance with the Arbitration Rules of the Singapore International Arbitration Centre for the time being in force, which rules are deemed to be incorporated by reference in this Rule 1.7.1. The seat of the arbitration shall be Singapore. The Tribunal shall consist of one (1) arbitrator. The language of the arbitration shall be English.

1.8 **Waiver**

1.8.1 No failure or delay to exercise or enforce the Exchange's rights conferred upon it under the Exchange Rules shall be deemed to be a waiver of any such rights or operate so as to bar the exercise or enforcement thereof at any subsequent time or times.

1.9 **Translation**

1.9.1 If the Exchange Rules are translated into a language other than English, the English text shall prevail.

2. Definitions and interpretation

2.1 **Definitions**

2.1.1 The following terms shall have the following meanings when used in the Exchange Rules unless the context otherwise requires:

"**Appeals Committee**"	the Appeals Committee as formed in accordance with Rule 21.14.
"**Appeals Procedure**"	the appeals procedure as set out in Rule 21.
"**connected person**"	shall have the meaning ascribed to it in the SFA.
"**Direct Market Access**"	means direct access to the ADDX Platform via an Exchange provided or Exchange-approved order management system through which orders are routed to the ADDX Platform.
"**EAM Portal**"	the account interface which EAM Users have access to in order to act on behalf of their end client Participants.
"**EAM Users**"	external asset managers who are authorised by their end client Participants to act on their behalf. Notwithstanding that EAM Users will be considered as Participants (where applicable) under the Exchange Rules, they will not be treated as customers of the Exchange.
"**error trade**"	a trade of Issued Tokens that was made, or deemed by the Exchange to be made, as a result of any error, including error in any term (including price and volume) of the order(s) forming such trade, error due to the operation of the ADDX Platform, and error due to a technical and/or system failure of the ADDX Platform and/or ADDX Blockchain or any of its component parts.
"**institutional investor**"	means any of the following: (a) a bank that is licensed under the Banking Act 1970 of Singapore; (b) a merchant bank that is approved as financial institution under Section 28 of the Monetary Authority of Singapore 1970 of Singapore; (c) a finance company that is licensed under the Finance Companies Act 1967 of Singapore; (d) a company or society registered under the Insurance Act 1966 as an insurer; (e) the Singapore Government or a central government in a country other than Singapore; (f) a statutory body established under Act in Singapore; (g) the Government of Singapore Investment Corporation Pte Ltd; (h) an entity that is wholly and beneficially owned, whether directly or indirectly, by a central government of a country other than Singapore whose principal activity is; (i) to manage its own funds;

(ii) to manage the funds of the central government of that country (which may include the reserves of that central government and any pension or provident fund of that country); or

(iii) to manage the funds (which may include the reserves of that central government and any pension or provident fund of that country) of another entity that is wholly and beneficially owned, whether directly or indirectly, by the central government of that country; or

(i) any entity that is wholly and beneficially owned, whether directly or indirectly, by the central government of a country other than Singapore and whose funds are managed by an entity in sub-paragraph (h) above;

(j) a pension fund, whether constituted in Singapore or elsewhere;

(k) a collective investment scheme, whether constituted in Singapore or elsewhere;

(l) a holder of a capital markets services licence under the SFA;

(m) a person who is exempted from the requirement to hold a capital market services licence to carry on business in fund management under paragraph 5(1)(i) of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations (Rg 10), and who has assets under its management of not less than S$15 million;

(n) a headquarters company or Finance and Treasury Centre which carries on a class of business involving fund management but only to the extent that the business in fund management has been approved as qualifying service in relation to that headquarters company of Finance and Treasury Centre under Section 43E(2)(a) or Section 43G(2)(a) of the Income Tax Act 1947 of Singapore;

(o) an entity or a trust formed or incorporated in a jurisdiction other than Singapore, which is regulated for the carrying on of any financial activity in that jurisdiction by a public authority of that jurisdiction that exercises a function that corresponds to a regulatory function of the Monetary Authority of Singapore under the SFA, the Banking Act 1970 of Singapore, the Finance Companies Act 1967 of Singapore, the Monetary Authority of Singapore Act 1970 of Singapore and the Insurance Act 1966 of Singapore.

"**Intermediary Participant**" a person who has opened an intermediary trading account on the ADDX Platform to trade on behalf of its customers and whose trading account is valid and subsisting (whether or not suspended) and is an institutional investor as defined under the Exchange Rules.

"**key officers**" the management team (excluding directors), including its chief executive officer, chief financial officer, chief operating officer and any other individual, regardless of title, who (a) performs or has the capacity to perform any function or responsibility equivalent to that of the foregoing persons, or (b) is responsible for ensuring that the issuer complies with its obligations under the Exchange Requirements.

"**Platform Terms and Conditions**" the terms and conditions for use of the ADDX Platform, as may from time to time be amended, modified, supplemented or replaced.

"**Prescribed Person**"	means such Intermediary Participant, its trading representative and a connected person of such Intermediary Participant or trading representative.
"**related corporation**"	has the same meaning as in section 4(1) of the Companies Act 1967.
"**Relevant Regulatory Authority**"	(a) An authority or regulatory body that regulates an Intermediary Participant or its Trading Representatives' activities in the country where it is carrying on such activities and from which it has applied for a trading account on the ADDX Platform; and (b) where the Intermediary Participant or its Trading Representatives are carrying on regulated activities in Singapore, the Monetary Authority of Singapore.
"**short selling**"	the sale of Issued Tokens that the selling Participant does not own at the time of the sale.
"**Trading Representative**"	a person who is employed by or acts for or by arrangement with an Intermediary Participant to deal in capital markets products on the ADDX Platform.
"**U.S.**"	means the United States of America.
"**U.S. Persons**"	means any of the following: (a) U.S. citizen; (b) U.S. resident, meaning: (i) an individual physically present in the U.S. for at least 31 days during the current year and 183 days during the three (3) year period that includes the current year and the two (2) years immediately before that: (aa) counting all the days such individual was present in the current year; (bb) 1/3 of the days such individual was present in the first year before the current year; and (cc) 1/6 of the days such individual was present in the second year before the current year; (ii) a green card holder; (iii) an individual designated as a resident for U.S. tax purposes; (iv) an individual with a U.S. mailing address or U.S. telephone number; (c) a corporation, partnership or entity organised or incorporated under the laws of the U.S.; (d) an estate of which any executor or administrator is a U.S. Person; (e) any trust of which any trustee is a U.S. Person; (f) any agency or branch of a foreign entity located in the U.S.; (g) a discretionary or similar account (other than an estate or trust) held by a fiduciary incorporated or organised, or (if an individual) a resident in the U.S.;

(h) any non-discretionary or similar account (other than an estate or trust) held by a fiduciary for the benefit or account of a U.S. Person;

(i) any partnership, corporation or entity incorporated or organised under the laws of any jurisdiction apart from the U.S. that is more than 25% owned or controlled by a U.S. Person(s); and

(j) a partnership, corporation or entity with a U.S. mailing address or U.S. telephone number.

2.1.2 Capitalised terms not otherwise defined herein shall have the meaning ascribed to them in the Specific Terms of the Platform Terms and Conditions.

2.2 **Interpretation**

2.2.1 Unless the context requires otherwise:

(a) headings and labels are for convenience only, and do not affect interpretation;

(b) words importing the singular include the plural and *vice versa*, and words importing the masculine include any gender;

(c) a reference to the Exchange Rules includes any document that is ancillary to the Exchange Rules, or any agreement or other legally enforceable arrangement created by the Exchange Rules or under the Exchange Rules;

(d) a reference to the Exchange Rules includes any consolidations, amendments, re-enactments or replacements of such rules;

(e) the meaning of general words is not limited by specific examples introduced by expressions such as, “including”, “for example”, “such as”, or such similar expressions, and the word “includes” or “including” as used in the Exchange Rules shall be construed to mean “includes without limitation” or, as the case may be, “including without limitation”;

(f) a reference to a “person” includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association and an authority;

(g) a reference to a particular person includes the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;

(h) a reference to “law” includes common law, principles of equity and legislation (including regulations, rules, by-laws, ordinances and proclamations) and includes any consolidations, amendments, re-enactments or replacements of any of them;

(i) a reference to “in writing” means in legible form and capable of reproduction on paper, and includes electronic communication;

(j) a reference to “material” includes the ability to affect the outcome of a decision or an application;

(k) a reference to year means a calendar year;

(l) a reference to anything (including an amount) is a reference to the whole and each part of it;

(m) unless stated otherwise, a reference to any legislation (including subsidiary legislation) shall be construed to refer to the relevant legislation in Singapore as may be amended, re-enacted, or replaced from time to time;

(n) a period of time starting from a given day or the day of an act or event, is to be calculated exclusive of that day;

(o) if a person must do something on or by a given day and it is done after 5.00 p.m. (Singapore time), it is taken to be done on the next Business Day;

(p) if the day on which a person must do something is not a Business Day, the person must do it on the next Business Day; and

(q) notwithstanding anything to the contrary, where any right of the Exchange is specified to be at its "discretion", shall be construed to refer to the "sole, unfettered and absolute discretion" of the Exchange; any determination to be made by the Exchange or any exercise by the Exchange of any rights or entitlement may be made at the sole, unfettered and absolute discretion of the Exchange and, in every case, shall be conclusive and binding on the Issuers and the Participants.

2.2.2 Where the obligations and requirements imposed by the Exchange Rules are stricter than the provisions of any relevant law or regulation in force, Participants and Issuers shall be required to comply with such stricter obligations and requirements, provided that, where any provision of the Exchange Rules is in conflict with the provisions of any such law or regulation, such law or regulation shall prevail.

3. Eligibility to become a Participant

3.1 All persons seeking to become a Participant shall comply with the following general requirements:

(a) qualify as an accredited investor under the SFA or institutional investor as defined under the Exchange Rules;

(b) (if an individual) is not an undischarged bankrupt;

(c) (if an individual) is at least 18 years old;

(d) shall not be a U.S. Person; and

(e) pass all relevant checks with respect to anti-money laundering and countering the financing of terrorism.

3.2 Participants acknowledge that:

(a) the Exchange's recognition as a recognised market operator is solely in respect of the market operated by the Exchange on the ADDX Platform; and

(b) all offers of Issued Tokens made on the market operated by Exchange on the ADDX Platform are in reliance on an exemption under either subdivision 4 of Division 1 under Part 13 of the SFA or subdivision (4) of Division 2 under Part 13 of the SFA.

4. Application to become a Participant

4.1 An application to open a trading account shall be made to the Exchange by submitting all requisite documents as set out in the application form on the Exchange's website. The application shall be submitted electronically to the Exchange or such channel as the Exchange may specify.

4.2 The Exchange will only assess applications when all requisite documents have been received.

4.3 In assessing the application, the Exchange may require from the person making the application additional information, take into account any information that it considers necessary or relevant, request that any information provided by the person be verified in such manner as the Exchange may specify, and impose any additional conditions on the person that it considers appropriate.

4.4 The Exchange may, at its discretion, approve or reject an application to open a trading account. Such decision shall be final and the Exchange shall not be obliged to give any reasons for its decision.

4.5 Without derogating from Rule 4.4, the Exchange may reject an application if any false or misleading information or document is furnished in the application.

4.6 Without derogating from Rule 4.4, the Exchange will reject an application if the Exchange, at its discretion, determines that in relation to the person making the application:

(a) such person's identity has not been successfully verified;

(b) the requirements as set out in Rule 3.1 have not been met;

(c) such person does not or will not have continued good standing, which includes having prior violations resulting in disciplinary measures such as expulsion from the ADDX Platform; or

(d) if accepted as Participant, would be detrimental to the interests of other Participants, the integrity and reputation of the ADDX Platform and the Exchange.

4.7 Where the Exchange decides to reject an application, the Exchange will notify the person making the application of its decision to reject the application.

5. Participant fees and charges

5.1 Persons seeking to open a trading account must pay such fees and charges as the Exchange may prescribe in relation to the opening of trading accounts. The Exchange may waive or vary any such fee or charge.

6. Continuing obligations

6.1 **Compliance with laws and rules**

6.1.1 Each Participant and Issuer shall, at all times, comply with the Exchange Requirements and cooperate with the Exchange.

6.1.2 Each Participant and Issuer shall perform its obligations under the Exchange Requirements promptly, and within any stipulated time for performance expressly stated.

6.1.3 A Participant shall not trade in a way that would be detrimental to the operation of a fair, orderly and transparent market.

6.2 **Continuing eligibility to be a Participant**

6.2.1 A Participant shall satisfy the general requirements as set out in Rule 3.1 on an ongoing basis (save for Rule 3.1(c)).

6.2.2 A Participant shall immediately inform the Exchange when it has breached Rule 6.2.1.

6.3 **Cooperation with the Exchange**

6.3.1 Each Participant and Issuer must promptly provide to the Exchange any other information or explanation that the Exchange may reasonably require to verify whether the Exchange Rules are being, or have been complied with.

6.3.2 A Participant shall immediately inform the Exchange when any of the information that has been submitted to the Exchange in such Participant's application form becomes inaccurate or obsolete in any respect.

6.4 **Responsibility with respect to trading account**

6.4.1 A Participant shall be solely responsible for all activity that takes place under its trading account, whether authorised by the Participant or not.

6.4.2 Any action performed from a Participant's trading account shall be treated by the Exchange as the action of such Participant acting solely on its own behalf, whether authorised by the Participant or not.

6.4.3 The Exchange shall not be liable for any loss or damage arising from unauthorised use of any Participant's trading account.

6.4.4 Each Participant must honour all orders placed through its trading account and all transactions executed involving its trading account, unless and until reversed or otherwise reversed by the Exchange. All orders and transactions shall be governed by the Exchange Requirements.

6.4.5 A Participant acts as principal as regards the other Participant for each transaction executed by them or purported to be executed by such Participant on the ADDX Platform.

6.4.6 A Participant who uses any application programming interface ("**API**") feature of the ADDX Platform acknowledges and agrees that:

(a) it will ensure that its own systems and connections to the ADDX Platform via the API feature operate properly at all times and have adequate redundancy and scalable capacity to accommodate current and anticipated trading volume levels;

(b) it will not access the API feature in any manner that (i) compromises, breaks or circumvents any of the technical processes or security measures of the ADDX Platform; or (ii) poses a security vulnerability to any user of the ADDX Platform; or (iii) tests the vulnerability of the ADDX Platform's systems;

(c) it will not attempt to reverse engineer or otherwise derive the source code, trade secrets or know-how of the API feature;

(d) it will not attempt to use or use the API feature in a manner that constitutes excessive or abusive usage;

(e) the API feature is provided on an "as is" and "as available" basis. The Exchange makes no representations or warranties in relation to the API feature, including but not limited to any representation or warranty as to the accuracy, completeness, reliability, service levels, continued availability, timeliness, non-infringement, title, quality or fitness for any particular purpose of the API feature to the fullest extent permitted by the law;

(f) to the extent permitted by law, the Exchange shall not be liable to a Participant or any third party whether in contract, tort (including negligence), restitution, breach of statutory duty or otherwise, for damage or loss of any kind arising directly or indirectly from a Participant or any third party's use of, or inability to use, the API feature;

(g) it will install any updates, upgrades, modifications and/or patches to keep its installation of the API feature updated to the most recent release. For the avoidance of doubt, the foregoing does not constitute any obligation on the Exchange to provide any maintenance, support and/or other services (including any documentation, error corrections, updates, upgrades, bug fixes and/or enhancements) in relation to the API feature;

(h) it indemnifies the Exchange against any liability, loss, damage, including solicitor and client costs and expenses (legal or otherwise) which we may sustain or incur, directly or indirectly, arising out of or related to such Participant's use of the API or any breach of the Exchange Requirements;

(i) the Exchange may, in its sole and absolute discretion, at any time and without assigning any reason, suspend or terminate such Participant's access to and use of all or part of the API feature, with or without notice; and

(j) it will ensure that it has in place a multi-factor authentication system ("**MFA System**") at login to secure the Exchange's customer authentication process at all times for usage of the ADDX Platform via the API feature and that the MFA System is in compliance with the rules, regulations, notices and guidelines set out by the Monetary Authority of Singapore in relation thereto.

7. Prohibited trading conduct

7.1 The Exchange will not tolerate conduct such as market rigging or market manipulation (including spoofing and layering), insider trading, fraudulent conduct, acting in bad faith, knowingly disseminating false or inaccurate material information, reporting false trades, and disclosing confidential information. Attempts to engage in any such prohibited conduct will also not be tolerated.

7.2 Each Participant and Issuer shall not engage in any conduct that is prohibited under:

(a) Division 1 (Prohibited Conduct – Capital Markets Products) of Part XII of the SFA; and

(b) Division 3 (Insider Trading) of Part XII of the SFA.

7.3 For avoidance of doubt, the Exchange Rules, including Rule 7.2, are interpreted, administered and enforced by the Exchange, and any decision by the Exchange as to whether Rule 7.2 and/or other provision of the Exchange Rules is breached by a Participant or Issuer is conclusive and binding on such Participant or Issuer, as the case may be, and such Participant or Issuer shall not challenge or dispute the validity of such decision and the Exchange shall not be obliged to give any reasons for its decision.

7.4 The following non-exhaustive factors are relevant when considering whether an act or practice may breach Rules 7.1 and 7.2 above:

(a) whether the proposed transaction will be inconsistent with the history of, or recent trading in, the Issued Token;

(b) whether the proposed transaction will or may cause or contribute to a material change in the market for or the price of the Issued Token, and whether the person involved or another person with whom the first person is collaborating may directly or indirectly benefit from alterations in the market or price;

(c) whether the proposed transaction involves the placing of multiple buy and sell orders at various prices higher or lower than the market price, or the placing of buy and sell orders which give the appearance of increased volume;

(d) whether the proposed transaction will coincide with or is likely to influence the calculation of reference prices, settlement prices and valuations;

(e) whether parties involved in the proposed transaction are connected;

(f) whether the buy and sell orders are to be entered at about the same time, for about the same price and quantity (excluding direct business);

(g) whether the proposed transaction will or may cause the price of the Issued Token to increase or decrease, but following which the price is likely to immediately return to about its previous level;

(h) whether a proposed bid (offer) is higher (lower) than the previous bid (offer) but is to be removed from the market before it is executed;

(i) whether the volume or size of the proposed transaction is excessive relative to reasonable expectations of the depth and liquidity of the market at the time;

(j) whether the proposed buy (sell) order is likely to trade with the entire best offer (bid) volume and part of the offer (bid) at the next price level;

(k) whether the proposed buy (sell) order forms part of a series of orders that successively and consistently increase (decrease) the price of the Issued Token; and

(l) whether there appears to be a legitimate commercial reason for the proposed transaction.

7.5 Each Issuer and its directors and key officers should not deal in the Issuer's Issued Tokens during the period commencing one (1) month before the announcement of the Issuer's half year and full year financial statements.

8. Suspension or termination of trading account

8.1 A Participant may request to voluntarily terminate its trading account on the ADDX Platform by submitting an account termination request in the form prescribed by the Exchange, provided that the Participant does not hold any Issued Tokens and/or ADDX Fiat Tokens in its ADDX Wallet at the time of the request and the Participant satisfies such other conditions as the Exchange may prescribe from time to time.

8.2 On receipt of a request under Rule 8.1, the Exchange will process such request and notify the Participant of the effective date of termination of the Participant's trading account. The Exchange may refuse to accept or at any time postpone the termination when there are outstanding obligations that may affect the interest of the Exchange, Issuers and other Participants.

8.3 The Exchange may, at its discretion, suspend or terminate the trading account for any Participant with immediate effect (or with effect from such later time as the Exchange may determine), including:

(a) where the Exchange determines that the Participant does not meet the continuing obligations required of a Participant;

(b) where the Exchange determines that the Participant has contravened the Exchange Rules or any applicable laws or regulations;

(c) in the event of (where the Participant is an individual) death or bankruptcy of the Participant, or (where the Participant is an entity) winding up or insolvency of the Participant;

(d) where the Exchange is required or deems it necessary to comply with applicable laws and regulations; and/or

(e) where the Exchange is no longer licensed, approved, registered (or otherwise exempt from licensing, approval and/or registration requirements) to conduct regulated activities.

8.4 In the event of a suspension or termination pursuant to Rule 8.3, the Exchange shall notify the Participant of the effective date of suspension or termination. The Participant shall act in accordance with the directives of the Exchange in relation to any outstanding obligations of such Participant, and any ADDX Fiat Tokens and/or Issued Tokens in such Participant's ADDX Wallet. The Participant shall not trade through its trading account from the date specified by the Exchange.

8.5 In the event the Exchange terminates such Participant's trading account and there are balance Issued Tokens held by such Participant in its ADDX Wallet after the effective date of termination of such Participant's trading account and only insofar as permitted under applicable laws and regulations, such Participant's trading account shall be suspended indefinitely and such Participant shall be permitted to submit sell orders solely for the purpose of divesting balance Issued Tokens.

8.6 Where a trading account is suspended pursuant to Rule 8.5, an administrative fee as the Exchange may prescribe will be charged for the maintenance of the trading account for such Participant commencing from the date of the commencement of such suspension.

8.7 Notwithstanding the termination of a Participant's trading account, the former Participant remains liable to the Exchange and other relevant persons (including other Participants or Issuers) for any liabilities incurred (including under the Exchange Rules or otherwise) during the period it held a trading account on the ADDX Platform. It also remains subject to any proceedings, investigations, disciplinary or enforcement action in respect of:

(a) a right, privilege, obligation or liability acquired, accrued or incurred under the Exchange Rules before such termination;

(b) a breach of, or act of misconduct under, the Exchange Rules before such termination; and/or

(c) any disciplinary action or penalty in respect of any breach or act of misconduct committed before such termination.

9. Trading on the ADDX Platform

9.1 The trading of all Issued Tokens shall take place on the ADDX Platform.

9.2 Only Participants are able to buy and sell Issued Tokens (save that Issuers are able to issue and redeem their respective Issued Tokens on the ADDX Platform).

9.3 **Continuous Trading Phase**

9.3.1 Continuous trading is permitted on the ADDX Platform. During continuous trading, Participants may enter, amend and cancel trade orders, prior to matching of trade orders.

9.3.2 The ADDX Platform operates on a price-time priority basis. All trade orders will be matched for validation and settlement by the ADDX Platform in accordance with price priority, followed by time priority. Orders submitted for execution will be time-stamped.

9.3.3 A trade is completed when trade orders have been matched, validated, and settled on the ADDX Platform. All completed trades will then be recorded on ADDX Blockchain. In accordance with Paragraph 12.2, all unmatched orders shall remain available for matching on the ADDX Platform until the order is matched or expires.

9.3.4 A "buy" trade order will only be accepted for matching if the Participant placing the "buy" trade order has sufficient ADDX Fiat Tokens in its ADDX Wallet balance as reflected on the ADDX Platform to fund the "buy" trade order and the applicable fees for the transaction, for example

trading fees and applicable taxes. Payment for Issued Tokens shall be effected only by payment in the form of ADDX Fiat Tokens.

9.3.5 A "sell" trade order will only be accepted for matching if the Participant placing the "sell" trade order has sufficient quantity of the relevant Issued Tokens in its ADDX Wallet balance as reflected on the ADDX Platform to fund the "sell" trade order. Short selling is not permitted on the ADDX Platform.

9.3.6 Once a trade order has been made, the tokens for making payment will be earmarked on the ADDX Platform. The earmarked tokens will be released and transferred to the relevant ADDX Wallet once the trade order is subsequently validated and settled on the ADDX Platform. Earmarked tokens cannot be used for other trade orders until they are released following settlement.

9.3.7 Margin trading and contra trading are not available on the ADDX Platform.

9.3.8 Unless otherwise indicated, trading of Issued Tokens shall be on a "cum entitlement" basis (i.e. with the entitlement to the economic benefit that has been declared by the relevant Issuer, such as dividends or rights). Where an Issued Token is traded on an "ex entitlement" basis, a buyer of Issued Tokens on an "ex entitlement" basis has no right to that entitlement.

9.3.9 Each Participant agrees that the matching of trade orders as determined by the ADDX Platform and the Exchange, from time to time, shall be final, and each Participant shall not challenge or dispute the validity of such matching.

10. Trading and Orders

10.1 Trading Hours

10.1.1 The trading hours and application of the market phases are as published by the Exchange. The Exchange may vary the trading hours and application of the market phases.

10.1.2 The market phases are as follows:

(a) Pre-Open/Pre-Close

This phase allows order entry, order modification, and withdrawal of orders but no matching of orders.

(b) Non-Cancel

This phase does not allow order entry and amendment. All existing orders are matched according to the algorithm set by the Exchange. All unmatched orders, except at the close of trading, are carried over to the next phase. As at close of trading, unmatched orders with an expiry date in the future, shall be carried over to the next trading day.

(c) Trading

This phase allows order entry, order modification, and withdrawal of orders. All orders are matched in accordance with price-time priority.

(d) Adjust

This phase allows order entry, order modification, and withdrawal of orders. At the end of the phase, orders will be matched based on the algorithm set by the Exchange. All unmatched orders will be carried over to the next phase.

10.2 Token issuances

10.2.1 A Participant eligible for participation in the token issuance will be granted permission to access the information memorandum and other documents relating to the token issuance.

10.2.2 Purchase requests are made by Participants via the ADDX Platform and are subject to the Specific Terms set out in the Platform Terms and Conditions.

10.2.3 Each Participant acknowledges that it has, and for all purposes each Participant shall be deemed to have, personal knowledge of every order placed through its trading account in relation to token issuances, including the bid price, quantity, and any other information which may be entered or otherwise given through the ADDX Platform.

10.3 **Secondary trading**

10.3.1 All trade orders for Issued Tokens shall be placed through the ADDX Platform.

(a) When a Participant enters a "sell" trade order, such selling Participant agrees that such order constitutes an offer to the buying Participant whose "buy" trade order is matched to, and the selling Participant agrees to sell the relevant Issued Token to such buying Participant at the price and for the quantity, both determined by the algorithm set by the Exchange; and

(b) When a Participant enters a "buy" trade order, such buying Participant agrees that such order constitutes a legally binding acceptance of the then-current unfilled offer from the Participant whose "sell" trade order is matched, and the buying Participant agrees to buy the relevant Issued Token from such selling Participant at the price and for the quantity, both determined by the algorithm set by the Exchange.

10.3.2 Each trade order entered into the ADDX Platform shall specify the price and quantity of the trade order, whether it is a "buy" or "sell" trade order, the ticker of the relevant Issued Token and all other information as may be prompted by the ADDX Platform. Each Participant shall be responsible for ensuring the accuracy of each order submitted under its trading account.

10.3.3 A trade order accepted for matching through an order placed via the EAM Portal ("**EAM Order**") will be allocated to the EAM User's end client Participants in accordance with the following logic:

(a) first, on a pro-rata allocation basis based on the proportion that each Participant's order quantity bears to the entire order quantity of the EAM Order, rounded down to the nearest minimum order size of the relevant Issued Token;

(b) second, on an equal allocation basis amongst the Participants with the highest order quantities, rounded down to the nearest minimum tick size of the relevant issued Token; and

(c) thereafter, should any Tokens remain to be allocated, on a random allocation basis amongst the Participants.

10.3.4 The minimum order size shall be the higher of:

(a) 0.001 of an Issued Token (or 1 Issued Token if no decimals are set); and

(b) (i) if the Issued Token is denominated in a fiat currency other than Japanese Yen, 100 of the major currency unit of such fiat currency; or

(ii) if the Issued Token is denominated in Japanese Yen, 10,000 Japanese Yen.

10.3.5 The minimum tick size for an Issued Token is:

(a) if the Issued Token is denominated in a fiat currency other than Japanese Yen, 0.01 of the major currency unit of such fiat currency; or

(b) if the Issued Token is denominated in Japanese Yen, 1 Japanese Yen.

10.3.6 Where all required information (as set out in Rule 10.3.2) is duly provided to the Exchange and there are sufficient assets to fund the trade order placed, the Exchange's price-time algorithm will match the orders with prices in the market. If, for any reason, the matched trade orders are not validated by the ADDX Platform (for example due to a Participant being ineligible to make the trade due to transfer restrictions), the Participants to the matched trade orders will be notified of this. The reason(s) for the Participant's ineligibility may, but will not necessarily, be provided.

10.3.7 In respect of trade orders (or part thereof) that are matched but not validated by the ADDX Platform, the trade order (or part thereof) with the higher time priority will remain in the continuous order book and be available for matching while the trade order (or part thereof) with the lower time priority will be cancelled.

10.3.8 Although the Exchange will endeavour to make any allocation required in relation to any Tokens amongst Participants in accordance with its pre-determined methodology, the Exchange reserves the right to make allocations in such manner as it determines in its reasonable discretion. Accordingly, each Participant acknowledges and agrees that, if it has placed a trade

order in respect of any Tokens (or a trade order has been placed on its behalf), it may not be allocated the full quantum as specified in the trade order. The Exchange will not accept requests to alter or waive allocations after the event. Any allocation given by the Exchange shall be binding on Participants, notwithstanding any change in market conditions between the time of the making of the trade order and the allocation or any other circumstances.

10.4 **Order types and validities**

10.4.1 The following types of trade orders are available on the ADDX Platform to all Participants.

(a) Market order:

A trade order that executes against accessible liquidity on the opposite side of the market at the prevailing market price; or

(b) Limit order:

A trade order that executes only at the specified price or at a price better than the specified price. Unfilled quantities of the trade order remain in the continuous order book until they are filled, amended, or cancelled. A "sell" trade order price cannot be made at a price below the best bid price available. A "buy" trade order input price cannot be made at a price above the best ask price available.

10.4.2 The following types of trade orders shall have the following order validities:

Trade order type	Trade order validity	Description of order validity
Market order	Fill and Kill	A market order is filled immediately against resting trade orders at the current best available price, with the unfilled portion of the market order cancelled immediately
Limit order	Good-Till-Date	The limit order remains available for matching until the earlier of the limit order being executed or cancelled, or the end of the trading session on the date specified by the Participant. The maximum Good-Till-Date date that can be specified by the Participant shall be no later than 30 calendar days from the date of the limit order

10.5 **Withdrawing trade orders**

10.5.1 A trade order may be withdrawn by the Participant making the trade order at any time between placement of the trade order and the matching of the orders.

10.5.2 The Exchange may, at its discretion, review the validity or, and/or reverse or otherwise cancel, any trade order, including in any of the following circumstances:

(a) where the Exchange deems it necessary for the proper maintenance of a fair and orderly market;

(b) there has been a technical and/or system failure and/or error leading to the trade order confirmation;

(c) there is prima facie evidence of fraud or wilful misrepresentation in relation to the trade order;

(d) in the Exchange's opinion, it is desirable to cancel the trade order to protect the integrity and reputation of the ADDX Platform and the Exchange (including where a Participant and/or Issuer has engaged or attempted to engage in any prohibited trading conduct);

(e) in the event of a trading suspension; or

(f) in the event of a suspension or termination of the relevant Participant's ADDX Wallet.

10.5.3 Each Participant agrees that any decision made by the Exchange in connection with this Rule 10.5.3 is conclusive and binding on such Participant, unless and until otherwise determined by the Exchange, and each Participant shall not challenge or dispute the validity of such decision and the Exchange shall not be obliged to give any reasons for its decision.

10.6 **Amending trade orders**

10.6.1 A trade order may be amended (in whole or in part) by the Participant making the trade order at any time between placement of the trade order and the matching of the orders.

10.6.2 The time priorities of such Participant's amended trade orders (or part thereof) will be newly assigned or maintained as follows:

(a) where the quantity of the trade order is increased, the trade order will be assigned a new time priority;

(b) where the quantity of the trade order is decreased, the trade order will maintain its existing time priority; and

(c) where the price of the trade order is increased or decreased, the trade order will be assigned a new time priority.

10.6.3 For the avoidance of doubt, each Participant acknowledges that an order amendment cannot be made where the trade order (or part thereof) has already been matched on the ADDX Platform and in the case of an amendment to the price of the trade order, where the trade order is partially fulfilled.

11. Finality, Reversal of Trades and Error Trades

11.1 All trades are final and binding on the Participants to the trade, except where provided for in this Rule 11. Participants shall honour all trades, unless and until the trade is reversed in accordance with this Rule 11.

11.2 **Cancellation of trades**

11.2.1 The Exchange may, at its own discretion, review the validity of and/or reverse any trade, including in any of the following circumstances:

(a) where the Exchange deems it necessary for the proper maintenance of a fair and orderly market;

(b) there has been a technical and/or system failure and/or error leading to the trade;

(c) the Exchange determines that an error trade should be reversed under Rule 11.3;

(d) there is *prima facie* evidence of fraud or wilful misrepresentation in relation to the trade; or

(e) in the Exchange's opinion, it is desirable to reverse the trade to protect the integrity and reputation of the ADDX Platform and the Exchange (including where a Participant and/or Issuer has engaged or attempted to engage in any prohibited trading conduct); or

(f) pursuant to Rule 20.

11.2.2 The Exchange shall provide notice of the reversal to affected Participants as soon as practicable via the ADDX Platform.

11.2.3 The Exchange may impose any conditions it thinks appropriate for the reversal of a trade.

11.2.4 The Exchange may impose any disciplinary action it thinks appropriate on a Participant who is the cause or partial cause of the reversal of a trade.

11.2.5 Each Participant agrees that any decision made by the Exchange in connection with this Rule 11.2 is conclusive and binding on such Participant, unless and until otherwise determined by the Exchange, and each Participant shall not challenge or dispute the validity of such decision and the Exchange shall not be obliged to give any reasons for its decision.

11.3 **Error trades**

11.3.1 If an error trade occurs, a Participant who is party to the error trade may request that the Exchange reverse the error trade. The request shall be submitted in the form prescribed by the Exchange within 60 minutes of the time the trade occurred, and shall include information concerning the trade and the factual basis for believing that the trade is erroneous.

11.3.2 Upon receipt of a request to reverse the error trade, the Exchange shall notify the counterparty to the error trade of such request. Save as provided in Rule 11.3.4, the Exchange will reverse the error trade only if both parties to the error trade agree to such reversal and if there are sufficient Issued Tokens and ADDX Fiat Tokens in the relevant ADDX Wallets on the dates prescribed by the Exchange for such reversal. The Participants to an error trade will receive a trade confirmation via the ADDX Platform upon the completion of the reversal. An administrative fee as the Exchange may prescribe will be charged to the Participant making the request for the reversal of the error trade.

11.3.3 Notwithstanding Rule 11.3.1 and 11.3.2, the Exchange may, at its discretion, identify and review trades to determine whether such trades are error trades, even if there has been no request for a reversal made by a Participant.

11.3.4 If the Exchange determines that the trade is an error trade (for example, due to a technical and/or system failure), it may, at its discretion, reverse the error trade in accordance with Rule 11.2. Each Participant agrees that any decision made by the Exchange on whether a trade is an error trade or not is conclusive and binding on such Participant and each Participant shall not challenge or dispute the validity of such decision, and the Exchange shall not be obliged to give any reasons for its decision.

12. Settlement

12.1 The settlement of trade orders on the ADDX Platform will be followed by recording of the settlement on the ADDX Blockchain.

12.2 Once a trade is completed in accordance with Rule 9.3.3, the following actions take place instantaneously and simultaneously for recording purposes:

(a) in respect of the Participant who had placed the buy order, the applicable quantity of ADDX Fiat Tokens is debited from its ADDX Wallet and the applicable quantity of the relevant Issued Tokens is credited into its ADDX Wallet;

(b) in respect of the Participant who had placed the sell order, the applicable quantity of the relevant Issued Tokens is debited from its ADDX Wallet and the applicable quantity of ADDX Fiat Tokens is credited into its ADDX Wallet; and

(c) the transaction is recorded on the ADDX Blockchain.

12.3 The Participants will receive a trade confirmation via the ADDX Platform which shall be sufficient evidence of the completed trade. Completed trades will also be reflected in the Participant's updated account records and transaction history on the ADDX Platform.

12.4 The Participants must pay such fees and charges as the Exchange may prescribe in relation to trading. The Exchange may waive or vary any such fee or charge.

12.5 The account balances of Participant(s) and Issuer(s) in the transaction will be adjusted to reflect their participation.

12.6 **Settlement failure**

12.6.1 If settlement is prevented by technical or system failure and/or error on the ADDX Platform or ADDX Blockchain, the Exchange shall notify Participants of the problem via the ADDX Platform (or via SMS to the contact details registered with the Exchange or such other means as the Exchange deems appropriate) as soon as practicable.

12.6.2 Upon the resolution of the problem, the Exchange shall:

(a) notify Participants of the resolution of the problem;

(b) use best endeavours to conduct periodic reconciliation and settlement of trade orders that were affected by the problem;

(c) cancel trade orders that cannot be reconciled and/or settled; and

(d) notify Participants of the outcome of the reconciliation and settlement and whether affected trade orders have been settled or cancelled.

13. Availability of pre-trade and post-trade information

13.1 The Exchange will make available to all Participants via the ADDX Platform the following information:

(a) the existing bids and offers in the current order book, including the bid/offer price and quantity of such offers;

(b) the price, volume and time of trades, which will be made available within one (1) hour following each trade, for the last 100 transactions or all trades; and

(c) consolidated information on the Issued Token holdings of all Participants.

14. System management

14.1 General monitoring & oversight

14.1.1 The Exchange Requirements and other policies and procedures that the Exchange may institute will collectively set out the general conduct requirements of Participants and Issuers on the ADDX Platform.

14.1.2 The Exchange uses tools including activity reports, filters, and blocks to monitor the compliance of Participants and Issuers on the ADDX Platform with its agreements, the Exchange Requirements and all applicable laws and regulations.

14.1.3 In using the ADDX Platform, Participants agree to such monitoring and the methods for carrying out such monitoring.

14.1.4 Particular attention will be paid to Participants' trading activities and the performance and security of the market as a whole to detect possible trading irregularities and other abusive or prohibited conduct.

14.2 Trade surveillance & monitoring processes

14.2.1 The Exchange implements trade surveillance and monitoring processes in order to prevent, as far as possible, market abuse and market manipulation on the ADDX Platform. These processes focus on Participants and the Issued Tokens, and enable the Exchange to oversee the trading activities of Participants on the ADDX Platform for the purposes of detecting and addressing suspected, alleged, or actual prohibited market conduct.

14.2.2 Without prejudice to the generality of Rule 20, in addition to initiating primary investigations, the Exchange may impose other measures on Participants involved in prohibited market conduct. This includes suspending trading in certain Issued Tokens or the participation of certain persons in activities on the ADDX Platform in accordance with Rule 16. The Exchange may also (whether required under applicable laws and regulations or for the purposes of cooperating with / providing assistance with any state organ having supervisory jurisdiction over it or other law enforcement agencies, regulatory authorities or other government agencies) prepare, publish, or submit to any state organ having supervisory jurisdiction over it or other law enforcement agencies, regulatory authorities or other government agencies reports on its findings from an investigation or other matters related to instances of market manipulation or abuse on the ADDX Platform.

14.3 Periodic testing and reviews

14.3.1 The Exchange has instituted policies and procedures for handling security, technology, and business management continuity matters and will, at various points in time, conduct tests and reviews as required under each such policy or procedure. Issuers and Participants shall cooperate with the Exchange during all such tests and reviews, and shall not do or attempt to do anything that would or is likely to disrupt any of the same.

15. Trading halts

15.1 The Exchange may impose a trading halt on any or all Issued Tokens in the following circumstances:

(a) at the request of an Issuer;

(b) where the Exchange becomes aware of any developments that materially affect an Issuer's ability to carry on business, which include, without limitation, legal or regulatory changes, or group restructuring of the Issuer, or changes in key management personnel of the Issuer;

(c) where the Exchange suspects any insider trading, market manipulation, fraud, or other prohibited conduct in relation to a particular Issued Token or its Issuer; and/or

(d) when the Exchange requests from the Issuer information relating to:

(i) material news;

(ii) the Issuer's ability to meet continuing Issuer obligations as set out in the Listing Rules and other Exchange Requirements; or

(iii) any other information which is necessary to protect Participants and the public interest.

15.2 A trading halt may be imposed for such duration that the Exchange deems appropriate, not shorter than 30 minutes and not longer than three (3) days. Notwithstanding the foregoing, the Exchange may elect to extend a trading halt where it deems it appropriate. An Issuer may voluntarily request to the Exchange to, and the Exchange will consider such request to but shall not be obliged to, exercise its power to extend a trading halt on the Issuer's Issued Token beyond three (3) days if the Exchange deems it appropriate.

15.3 A trading halt may be lifted by the Exchange:

(a) at any time;

(b) at the request of the Issuer; or

(c) when the information requested for by the Exchange in Rule 15.1(b) has been provided.

15.4 A trading halt may be changed to a suspension by the Exchange at any time.

15.5 During a trading halt imposed on an Issued Token:

(a) the Issued Token will cease to be traded on the ADDX Platform; and

(b) orders cannot be entered, modified or cancelled in respect of the Issued Token, and existing open orders will not be matched unless and until the trading halt is lifted. If a Participant does not cancel any orders placed prior to the lifting of a trading halt, these orders will remain in queue for fulfilment once the trading halt is lifted.

15.6 The Exchange shall announce the imposition, extension and/or lifting of any trading halt on the ADDX Platform.

16. Suspension of trading

16.1 The Exchange may suspend, with effect from any such time as it may determine at its discretion, the trading on the ADDX Platform generally, or the trading in any or all Issued Token(s) in any of the following circumstances –

(a) in the Exchange's opinion, the market is not orderly, informed or fair, or circumstances are about to occur that may result in there not being an orderly, informed or fair market;

(b) the Exchange releases an announcement in relation to an Issuer which the Exchange deems to be market-sensitive;

(c) an Issuer requests, and the Exchange agrees to, the suspension;

(d) access to the ADDX Platform is generally restricted;

(e) functions of the Exchange are, or are threatened to be, severely and adversely affected by a physical emergency such as fire, terrorist activities, power failures, communication or transportation breakdowns, or computer malfunctions;

(f) the Exchange deems it necessary to safeguard the integrity and smooth operation of the Exchange;

(g) the Exchange deems it necessary to protect the interests of the Participants and/or prospective Participants;

(h) the Exchange is required or deems it necessary to comply with applicable laws and regulations; or

(i) the Exchange deems it to be in the public interest.

16.2 A trading suspension may be imposed for such duration that the Exchange deems appropriate.

16.3 If the Exchange suspends the trading of an Issued Token, it may impose such conditions for lifting the suspension as it considers appropriate at its discretion. Notwithstanding the foregoing, the Exchange may elect to extend a trading suspension where it deems it appropriate.

16.4 During a trading suspension imposed on an Issued Token:

(a) the Issued Token will cease to be traded on the ADDX Platform;

(b) orders may not be entered in respect of the Issued Token; and

(c) unmatched orders in respect of the Issued Token on the ADDX Platform will be cancelled automatically.

16.5 An Issuer whose Issued Token is suspended from trading must continue to comply with the Exchange Requirements insofar as such Exchange Requirements remain relevant.

16.6 An Issuer may voluntarily request to the Exchange to, and the Exchange will consider such request to but shall not be obliged to, exercise its power to suspend trading under Rule 16.1 of such Issuer's Issued Token.

16.7 A request by an Issuer for the suspension of the trading of such Issuer's Issued Token under Rule 16.6 must:

(a) be made in writing and addressed to the Exchange;

(b) contain a clear explanation of the background and the reasons for seeking the trading suspension; and

(c) include:

(i) the name of the relevant Issued Token;

(ii) all information relevant to the request;

(iii) the date and time the Issuer requests the suspension to take effect, and to cease (if known);

(iv) copies of all documents relevant to the request for suspension; and

(v) details of any special circumstances or requirements applicable to the request for suspension, such as the extent of the proposed trading suspension.

16.8 A trading suspension may be lifted by the Exchange at any time if it is satisfied that:

(a) the circumstances leading to, resulting in, or contributing to, the trading suspension have abated or are no longer applicable and that trading is otherwise appropriate; and

(b) there are no other circumstances warranting the continued suspension of trading, such that the resumption of normal trading is appropriate.

16.9 For the avoidance of doubt, the trading of the Issued Token may be restored at the Exchange's discretion even though the Issuer does not request it pursuant to Rule 16.10.

16.10 An Issuer may voluntarily request to the Exchange to, and the Exchange will consider such request but shall not be obliged to, exercise its power to restore trading under Rule 16.8.

16.11 A request by an Issuer for the restoration of the trading of such Issuer's Issued Token under Rule 16.10 must be in writing and addressed to the Exchange and include:

(a) the name of the relevant Issued Token;

(b) a clear explanation of the background and reasons for the request for restoration; and

(c) the date and time from which the Issuer requests the restoration to take effect.

16.12 The Exchange shall announce the imposition and/or lifting of any trading suspension on the ADDX Platform.

16.13 **Resumption of trading following trading suspension**

16.13.1 Prior to the resumption of normal trading in the form of continuous trading following a trading suspension, an opening routine lasting up to 19 minutes shall apply.

16.13.2 The opening routine shall comprise the following phases:

(a) Adjust phase (lasting 15 to 17 minutes):

(i) orders can be entered, modified or cancelled on the ADDX Platform;

(ii) no matching of orders will occur; and

(iii) the phase will end randomly at any time from 15 to 17 minutes following its commencement;

(b) Non-cancel phase (lasting 1 to 2 minutes):

(i) the phase will begin immediately after the end of the adjust phase;

(ii) orders cannot be entered, modified or cancelled;

(iii) orders that can be matched are matched at a single price computed by the algorithm set by the Exchange, which shall be the opening price; and

(iv) unmatched orders are carried forward into normal trading in the form of continuous trading.

16.13.3 Normal trading in the form of continuous trading shall resume once the opening routine ends.

16.13.4 Each Participant acknowledges that it has, and for all purposes each Participant shall be deemed to have, personal knowledge of every order placed through its trading account in relation to the opening routine.

17. Circuit breakers

17.1 Circuit breakers represent the price thresholds at which the Exchange will halt trading on a platform-wide basis to prevent disorderly trading. The Exchange may prescribe at its sole discretion, for any or all Issued Tokens, different types of circuit breaker mechanisms which are designed to temporarily restrict trading in the Issued Token. In this regard, the Exchange will consider a set of factors, which includes token market cap, token price and trading volumes.

17.2 The application of circuit breaker mechanisms are as published by the Exchange.

17.3 The Exchange shall impose a cooling-off period on such Issued Token if an incoming order seeks to be matched, either partially or fully, with an existing order in the ADDX Platform at a price outside the circuit breaker price bands.

17.4 When the cooling-off period is activated under Rule 17.2:

(a) the incoming order referred to under Rule 17.2 will not be matched with existing orders in the ADDX Platform at a price outside the circuit breaker price bands; and

(b) such quantity of the incoming order which is not filled at the commencement of the cooling-off period will be rejected by the ADDX Platform.

17.5 The Exchange shall announce the imposition and/or lifting of any cooling-off period on the ADDX Platform.

18. ADDX Platform downtime

18.1 **Scheduled downtime**

18.1.1 The ADDX Platform will undergo scheduled routine maintenance to ensure optimal functioning (including for upgrading and updating purposes). During the scheduled maintenance, the ADDX Platform will be closed and trading (including the entry, modification and cancellation of orders) will not be available on the ADDX Platform. The timing and duration of such scheduled downtime will be notified to Issuers and Participants at least one (1) week in advance via Formal Notice. The duration of such shutdowns will likely vary depending on the reason for the

shutdown in each case. The Exchange will attempt to provide as accurate an estimate of the shutdown period as possible in each case. In any event, operations will be resumed as soon as reasonably practicable.

18.2 **Unplanned downtime**

(a) The ADDX Platform may experience unplanned downtime such that trading will not be available on the ADDX Platform.

(b) In addition, the Exchange will, where it considers it necessary to do so in order to maintain a fair and orderly market, temporarily suspend the ADDX Platform's operations upon the occurrence of any event that is not objectively reasonably foreseeable and not within the Exchange's control. Such events include, without limitation, any breakdown, malfunction or failure of transmission or power, communication or computer facilities or systems, any act of war, natural disaster, epidemic, or declared national emergency in Singapore. The duration of such emergency closure or suspension will be determined by the Exchange.

(c) The occurrence of such unplanned downtime or emergency closure or suspension will be notified to Issuers and Participants as soon as practicable, via Formal Notice and SMS to the contact details registered with the Exchange.

(d) Operations (including trading) will be resumed as soon as reasonably practicable following any such unplanned downtime or emergency closure or suspension. Resumption of trading following unplanned downtime or emergency closure or suspension will be notified to Issuers and participants as soon as practicable, via Formal Notice and SMS to the contact details registered with the Exchange.

(e) Trades affected by any emergency suspension or closure will resume when the ADDX Platform resumes operations, unless the Exchange considers it necessary to further suspend the trades.

19. Complaints

19.1 A Participant and/or Issuer may file a written complaint with the Exchange with respect to:

(a) any Issuer or Participant; and/or

(b) a possible contravention of the SFA, the Exchange Rules and/or any applicable laws and regulations.

19.2 On receipt of such complaint, the Exchange may, at its discretion, conduct an investigation and/or request for further information on the matter.

19.3 Notwithstanding Rule 19.1, the Exchange will not be obliged to arbitrate any dispute between Participants and/or Issuers, unless otherwise provided for in the Exchange Rules.

20. Disciplinary action

20.1 The Exchange will decide at its discretion on how it will handle a Participant's and/or Issuer's failure to comply with, or attempt(s) to circumvent, any of these Rules.

20.2 If the Exchange determines that, or is in the course of investigation to determine whether, a Participant and/or Issuer has contravened, or attempted to circumvent, the Exchange Rules, and considers it appropriate to impose disciplinary action, the Exchange may:

(a) issue a formal warning or reprimand to the Participant and/or Issuer;

(b) conduct investigations;

(c) mandate settlement discussions;

(d) reverse any trades;

(e) impose minimum and maximum buying or selling amounts for certain Issued Tokens;

(f) suspend or terminate the Participant/Issuer's trading access;

(g) suspend or terminate the Participant/Issuer's trading account; and/or

(h) impose any other disciplinary action (including additional restrictions and/or fines) that it deems appropriate.

20.3 Without prejudice to Rule 21, any decision or action taken by the Exchange under Rule 20.1 is conclusive and binding, unless and until otherwise determined by the Exchange, and all Participants and Issuers agree to abide by the Exchange's decision.

21. Appeals

21.1 If an Issuer or Participant is aggrieved by a decision made by the Exchange under Rule 20 of the Exchange Rules, such Issuer or Participant may appeal that decision to the Appeals Committee in accordance with the Appeals Procedure. If no such appeal is made in accordance with the Appeals Procedure, the decision of the Exchange will be final, unless and until otherwise determined by the Exchange.

21.2 The aggrieved Issuer or Participant may initiate an appeal by submitting a notice of appeal to the Exchange within 15 Business Days following the date stated on the relevant notice of the decision from the Exchange. The notice of appeal shall be in the form prescribed by the Exchange, and set out the grounds of appeal.

21.3 A notice of appeal must set out:

(a) the decision that the appellant is appealing; and

(b) the principal facts and arguments relied upon by the appellant to support the appellant's appeal.

21.4 The Exchange shall forward all notices of appeal that it receives to the Appeals Committee.

21.5 Upon receipt of the notice of appeal forwarded by the Exchange under Rule 21.2, the Appeals Committee must first consider whether the notice of appeal complies with the Appeals Procedure.

21.6 If the Appeals Committee is not satisfied that a notice of appeal complies with the Appeals Procedure, the Appeals Committee may return the notice of appeal to the appellant with brief reasons setting out why the notice of appeal did not comply with the Appeals Procedure. If a revised notice of appeal that complies with the Appeals Procedure is not received within 20 Business Days of the return of a notice of appeal, then the initial decision of the Exchange which is the subject matter of the appeal is final.

21.7 If the Appeals Committee is satisfied that a notice of appeal complies with the Appeals Procedure, the Appeals Committee must request a reply to the notice of appeal from the Exchange. For the avoidance of doubt, the Exchange is not required to submit a reply to the notice of appeal.

21.8 After receipt of the notice of appeal, the Appeals Committee may:

(a) request further information, documentation or other evidence, from the appellant or the Exchange as it considers necessary or relevant to the appeal; and/or

(b) require the appellant and the Exchange to attend a hearing before the Appeals Committee.

21.9 For the avoidance of doubt, the rules as to the admissibility of evidence in a court of law will not apply to an appeal under this Rule 21.

21.10 The Appeals Committee may consider:

(a) two (2) or more appeals from an appellant; or

(b) the appeals of two (2) or more appellants,

at the same time.

21.11 The Appeals Committee must notify the appellant and the Exchange of its decision. In making its decision, the Appeals Committee may:

(a) confirm;

(b) vary; or

(c) repeal

the Exchange's decision that is the subject of the appeal.

21.12 The Appeals Committee may, after having made a decision under Rule 21.11, make any order regarding costs arising from an appeal as it considers necessary.

21.13 Any decision or order made by the Appeals Committee under Rule 21 shall be final and binding on the Exchange and the appellant.

21.14 **Formation of the Appeals Committee**

(a) The Appeals Committee shall be appointed by the Exchange and shall comprise at least three members with appropriate experience. The members of the Appeals Committee must comprise of two (2) non-executive directors of the Exchange and one (1) person who is not an employee, former or present, or controlling person of the Exchange or its parent company.

(b) The Appeals Committee has the power to allocate costs between any appellant and the Exchange for any appeal as it sees fit in accordance with Rule 21.12.

22. Intermediary Accounts

22.1 **Appointment of Trading Representatives**

22.1.1 An Intermediary Participant has to ensure that its Trading Representative must:

(a) be at least 21 years old;

(b) be a fit and proper person, in accordance with the Monetary Authority of Singapore's Guidelines on Fit and Proper Criteria;

(c) possess a good track record of business conduct (if applicable);

(d) comply with the requirements of his Relevant Regulatory Authority for acting as a representative of his Intermediary Participant in respect of the relevant regulated activities;

(e) not be a person who has previously been disallowed by an exchange or a regulatory body, whether in or out of Singapore, from acting as a representative in respect of the relevant regulated activities; and

(f) not be an undischarged bankrupt, whether in or out of Singapore.

22.1.2 A Trading Representative must act for only one (1) Intermediary Participant, unless exempted by the Exchange in writing.

22.1.3 Notwithstanding Rule 22.1.2, a Trading Representative may be a representative of more than one (1) Intermediary Participant if the Intermediary Participants are related corporations.

22.2 **Removal of Trading Representative**

22.2.1 The Intermediary Participant shall immediately procure that a Trading Representative ceases to act for such Intermediary Participant, if the Trading Representative:

(a) becomes of unsound mind;

(b) is made bankrupt, whether in or out of Singapore;

(c) is subject to a compromise or scheme of arrangement with his creditors, whether in or out of Singapore;

(d) has execution in respect of a judgment debt returned unsatisfied in whole or in part;

(e) is convicted of an offence involving fraud or dishonesty or is found by a court of law to have acted fraudulently or dishonestly, whether in or out of Singapore;

(f) ceases to comply with the requirements of his Relevant Regulatory Authority for acting as a representative of his Participant in respect of the relevant regulated activities or is disallowed by the Relevant Regulatory Authority from so acting; or

(g) gives or is given notice that he will cease to be a Trading Representative of the Intermediary Participant (whichever is the earlier).

22.3 **Compliance**

22.3.1 An Intermediary Participant shall and shall procure that its Trading Representatives shall comply with the Exchange Rules at all times and continue to satisfy the registration criteria and any conditions or restrictions imposed by the Exchange from time to time.

22.4 **Operational Requirements**

22.4.1 An Intermediary Participant must ensure that:

(a) its systems and connections to the ADDX Platform operate properly at all times and have adequate redundancy and scalable capacity to accommodate current and anticipated trading volume levels; and

(b) it complies with the terms and conditions, and any other requirements imposed by the Exchange, for accessing the ADDX Platform or in relation to order management systems or for any other purpose.

22.5 **Direct Market Access**

22.5.1 An Intermediary Participant may authorise Direct Market Access for its customers in respect of the ADDX Platform, subject to such conditions and requirements as may be specified in the Exchange Rules or prescribed by the Exchange from time to time.

22.5.2 An Intermediary Participant that authorises Direct Market Access for a customer must enter into a legally binding agreement with the customer setting out the terms and conditions for such Direct Market Access.

22.5.3 The agreement must include requirements, and the Intermediary Participant must have measures in place, for:

(a) the customer to meet minimum standards including standards on financial standing, credit history and criminal records, adverse records or pending court proceedings relating to prohibited market conduct;

(b) the customer to have appropriate procedures in place to assure that all relevant persons:

(i) are familiar with and comply with the Exchange Rules; and

(ii) have knowledge and proficiency in the use of the ADDX Platform and the order management systems;

(c) the customer to be provided information concerning its access to the ADDX Platform and applicable laws;

(d) the customer to have security arrangements in place to ensure that unauthorised persons are denied such Direct Market Access;

(e) the customer to assist the Exchange promptly in any investigation into potential violations of the Exchange Rules and applicable laws, including the provision of information to the Exchange relating to the identity and address of any person who may be responsible for the execution of an order or trade; and

(f) the customer to ensure, and any other person delegating Direct Market Access to ensure, that all persons given Direct Market Access are subject to the requirements in this Rule 22.5.3.

22.5.4 The Exchange may require an Intermediary Participant to provide to the Exchange a report by an independent reviewer on the Intermediary Participant's compliance with Rules 22.5 and 22.6.2.

22.6 **Suspension and Termination of Direct Market Access**

22.6.1 The Exchange may without prior notice suspend or terminate or direct an Intermediary Participant to suspend or terminate immediately a person's Direct Market Access:

(a) where the person has failed to assist the Exchange with an investigation in accordance with Rule 22.5.3(e);

(b) in the interest of a fair, orderly and transparent market; or

(c) where the person or Intermediary Participant has breached any of the Exchange Rules or any applicable laws.

22.6.2 An Intermediary Participant must have the ability to immediately suspend or terminate a person's Direct Market Access when necessary for the fulfilment of its duties under the Exchange Rules or any other reason.

22.7 **Control of Access**

22.7.1 An Intermediary Participant must ensure that there are adequate security arrangements in place to ensure that unauthorised persons are denied access to the organised markets established by or operated by the Exchange and/or such organised markets as the Exchange specifies.

22.8 **Responsibility to the Exchange**

22.8.1 An Intermediary Participant is responsible to the Exchange for:

(a) any liability to the Exchange of its directors, officers, Trading Representatives, employees and agents; and

(b) the acts and omissions of its directors, officers, Trading Representatives, employees and agents.

22.9 **Training and Supervision**

22.9.1 An Intermediary Participant must ensure that each of its Trading Representatives undergoes adequate education and training, including such continuing education and training as the Exchange may prescribe, as may be necessary for the Trading Representative to discharge his duties and obligations.

22.9.2 An Intermediary Participant must supervise its Trading Representatives, employees and agents.

22.9.3 An Intermediary Participant must:

(a) establish and maintain procedures and systems to prevent any breach of the Exchange Rules by its directors, officers, Trading Representatives, employees or agents; and

(b) ensure that its Trading Representatives, employees, agents or any other person carrying out or enforcing its procedures and systems reasonably discharges his or her duties and obligations.

22.10 **Compliance Review**

22.10.1 An Intermediary Participant must carry out checks from time to time to ensure its and its directors', officers', Trading Representatives', employees' and agents' compliance with:

(a) the regulatory requirements of the Relevant Regulatory Authority;

(b) the Exchange Rules; and

(c) its policies and procedures.

22.10.2 The checks must be carried out by internal audit or the compliance department or a person whose reporting line is independent of dealing, sales and operations.

22.11 **Control of Operations**

22.11.1 An Intermediary Participant must establish and maintain adequate internal control systems, commensurate with the nature, scale and complexity of the business of the Intermediary Participant.

22.11.2 An Intermediary Participant must, where appropriate, establish internal policies and procedures to restrict the flow of material non-public information between persons and departments within the Intermediary Participant.

22.11.3 An Intermediary Participant must have processes in place to minimise and manage any conflicts of interest, including but not limited to separating its front and back office functions.

22.12 **Records for Compliance**

22.12.1 An Intermediary Participant and its Trading Representatives must:

(a) maintain proper, complete and accurate records and audit trails, including a complete audit trail of transactions, whether entered into for itself or the Intermediary Participant's customers, from the receipt of an order to its settlement, to evidence compliance with the Exchange Rules in accordance with:

(i) in the case of an Intermediary Participant that holds a capital markets service licence under the SFA, the requirements in the SFA and the Exchange Rules; and

(ii) in the case of an Intermediary Participant that is exempted from holding a Capital Markets Services Licence pursuant to Regulations 2(3) and/or 2(4) of the Securities and Futures (Exemption from Requirement to Hold Capital Markets Services Licence) Regulations, such requirements as may be prescribed by the Relevant Regulatory Authority and the Exchange Rules. Such Intermediary Participant shall immediately notify the Exchange of any changes to the requirements prescribed by the Relevant Regulatory Authority. Notwithstanding the foregoing, the Exchange shall have the discretion to prescribe additional requirements;

(b) not make, or cause to be made, any false or misleading entries in any books, records, slips, documents, or statements relating to the business, affairs, transactions, conditions, assets or accounts of the Intermediary Participant (whether such documents are in hardcopy or electronic form) (the "**Documents**");

(c) make or cause to be made all relevant entries in each of the Documents; and

(d) not alter, conceal or destroy or cause to be altered, concealed or destroyed any of the Documents without a valid reason.

22.12.2 An Intermediary Participant and its Trading Representative must ensure the integrity, security and confidentiality in the transmission and storage of all records. An Intermediary Participant must keep data and records such that they are easily retrievable by authorised personnel and are stored securely such that no tampering occurs. Backups of records must be kept at a location separate from the original records. An Intermediary Participant must check data and records for quality and accuracy on an on-going basis and correct any quality or accuracy defects detected.

22.12.3 An Intermediary Participant must make records available to the Exchange at such time as the Exchange prescribes or otherwise requires. The Intermediary Participant must obtain the necessary customer consent for such disclosure, prior to such disclosure being made.

22.13 **Confidentiality of Customer's Information**

22.13.1 An Intermediary Participant and its Trading Representative must maintain confidentiality of a customer's information, except where required or permitted under applicable law or under the Exchange Rules, or in accordance with the prior consent of the customer for the disclosure of such information.

22.13.2 An Intermediary Participant must ensure that a person to whom it discloses a customer's information maintains confidentiality of such information.

22.14 **Customer Accounts**

22.14.1 Prior to opening a customer account, an Intermediary Participant shall satisfy itself that it has:

(a) obtained adequate particulars of each customer;

(b) verified the identity of each customer, and in the case of a non-individual customer verified that it is validly constituted and that the person opening the account has the requisite authority to do so, and in the case of an agency customer, verified the identity of the principal and the customer's authority to trade for its principal;

(c) agreed with the customer procedures for the communication of trading instructions to guard against unauthorised trading (if applicable); and

(d) verified that the customer meets the following criteria;

(i) (if a customer is resident in Singapore) qualifies as an accredited investor under the SFA or institutional investor as defined under the Exchange Rules, and consented in writing to be treated as such by the Exchange, issuers on the ADDX Platform and other investors;

(ii) (if a customer is resident outside of Singapore) satisfies such classification of investor in the relevant jurisdiction in which he is based such that his participation on the ADDX Platform through the Intermediary Participant shall be in compliance with such requirements as may be prescribed by the Relevant Regulatory Authority;

(iii) (if an individual) is not an undischarged bankrupt;

(iv) (if an individual) is at least 18 years old;

(v) is not a U.S. Person; and

(vi) has passed all relevant checks with respect to anti-money laundering and countering the financing of terrorism, in accordance with applicable know-your-customer laws and regulatory requirements, which should include the following:

(1) it has conducted client verification procedures which are sufficient to establish the identity and source of funds of each of such customers;

(2) none of the proposed customers, nor any person controlling, controlled by, or under common control with, any customer, nor any person having a significant beneficial interest in the customer (being a beneficial interest of no less than 25%), or for whom the customer is (I) a person or entity resident in, or organised or chartered under the laws of a jurisdiction identified as non-cooperative by the Financial Action Task Force ("**FATF**"); or (II) a person whose subscription funds/monies originate from or will be routed through, an account maintained at a foreign shell bank or "offshore bank" not subject to compliance with the anti-money laundering and anti-terrorism financing prescription of FATF; and

(3) none of its customers and proposed customers is or will be a political exposed person within the meaning of the expression under the FATF prescriptions or the notices of the Monetary Authority of Singapore unless they have successfully passed the enhanced customer due diligence required to be performed against such persons. It will retain, unless further notice, all documentation required to identify its customers and the basis for reasonable belief on their respective funds and funds use note being illicit accurately.

22.14.2 Before opening a customer account for a customer under the age of 21, an Intermediary Participant shall assess the customer's suitability to trade and disclose the risks of trading to the customer.

22.15 **Ongoing Compliance**

22.15.1 An Intermediary Participant shall satisfy itself that its customers satisfy the general requirements as set out in Rule 22.14.1(d) on an ongoing basis (save for Rule 22.14.1(d)(iv)).

22.15.2 An Intermediary Participant has recorded the evidence establishing the matters in Rule 22.14.1 and will retain or procure the retention of such evidence for a period not less than five (5) years, and it undertakes to promptly provide copies of such evidence in response to a request from the regulator whether directly to the regulator or to the Exchange.

22.15.3 An Intermediary Participant hereby undertakes to immediately notify the Exchange if we become aware of any suspicious activity or pattern of activity that may require further review to

determine whether the information gives rise to suspicion of the customer; and/or the activity or pattern of activity is suspicious.

22.16 **Approval of Customer Accounts**

22.16.1 At least one (1) member of senior management or delegate staff (whether of the Intermediary Participant or the Intermediary Participant's related corporation or otherwise) independent of the Intermediary Participant's sales or dealing, must approve the opening of a customer account carried on the books of the Intermediary Participant.

22.16.2 The approval must:

(a) be given before the execution of the first trade for the customer;

(b) be in writing (which includes secured electronic record); and

(c) form part of the permanent records of the Intermediary Participant.

22.17 **Separate Trading Accounts and Account Designation**

22.17.1 An Intermediary Participant must maintain separate trading accounts for each customer whose customer account is carried on the books of the Intermediary Participant.

22.17.2 Each trading account must be identified by the Intermediary Participant and designated by a unique trading account code, which will be assigned by the Exchange before the trading account is used to send in any orders.

22.18 **Trading by Employees and Agents**

22.18.1 An Intermediary Participant must have in place procedures to ensure that its directors, officers, Trading Representatives, employees and agents who are privy to confidential information relating to dealing in securities or futures contracts do not use such information to trade for their own benefit.

22.18.2 An Intermediary Participant must have in place procedures to monitor the trading activities of its directors, officers, Trading Representatives, employees and agents whether those trading activities are conducted through the Intermediary Participant or another Intermediary Participant.

22.19 **Brokerages and Charges**

22.19.1 Unless the Exchange decides otherwise, the commission rate chargeable for the purchase or sale of securities and futures contracts may be determined by the Intermediary Participant in its discretion.

22.19.2 All charges and expenses, including any fees imposed by the Exchange, stamp duty and goods and services tax, to be borne by the customer (whether included as part of the brokerage or otherwise) must be accurately disclosed to the customer and agreed between the customer and the Intermediary Participant.

22.20 **Communication with Customers**

22.20.1 An Intermediary Participant must communicate directly with its customers in respect of statements, contract notes or all other information, whether in writing or electronically, unless the customer has authorised otherwise in writing.

22.20.2 To guard against unauthorised trading, contract notes and statements must be sent to the customer's residential address or any other address authorised by the customer. If the customer chooses for contract notes and statements to be sent to a "care of" address or the Trading Representative's address, the Intermediary Participant must explain the risk of unauthorised trading to the customer, obtain the customer's written authorisation for such an arrangement, and monitor the customer's accounts for any unauthorised trading activities.

22.20.3 An Intermediary Participant must not allow any person other than the customer to collect any cash, share certificates, contract notes, credit or debit notes, cheques or statements, unless the customer has authorised that person in writing.

22.21 **Proprietary Account**

22.21.1 All purchases and sales of Issued Token by an Intermediary Participant for its proprietary account must be made under a separate trading account from that of the intermediary trading account on the ADDX Platform which it uses to trade on behalf of its customers.

22.21.2 An Intermediary Participant must have procedures to effectively prevent any conflict of interest between its customer trading activities and proprietary trading activities.

22.22 **Acting as Principal to Customer**

22.22.1 If an Intermediary Participant or its Trading Representative wants to trade as principal (as defined under Regulation 47B of the Securities and Futures (Licensing and Conduct of Business) Regulation with a customer who is not a holder of a Capital Markets Services Licence, the Intermediary Participant (where the Intermediary Participant is the one so trading) or the Trading Representative (where the Trading Representative is the one so trading) may only do so on its separate trading account from that of the intermediary trading account and must inform the customer that the Intermediary Participant or the Trading Representative is acting in the transaction as principal and not as agent.

22.22.2 Any contract note relating to the above transaction must show that the Intermediary Participant or Trading Representative acted as principal.

22.22.3 This Rule 22.22 does not apply to trades that are matched on the ADDX Platform without the Intermediary Participant’s or Trading Representative's knowledge.

22.22.4 Where an Intermediary Participant is trading as a principal, such Intermediary Participant and its Trading Representatives shall not deal in any Issued Tokens on the ADDX Platform for the account of such Intermediary Participant, its Trading Representative or their connected persons if such Intermediary Participant or its Trading Representative has an unexecuted order from a customer in respect of the same class of Issued Tokens save where:

(a) such Intermediary Participant and its Trading Representative do not have access to such customer’s order flow information while executing for its own account or a Prescribed Person’s account;

(b) such customer has prescribed that the order be executed under specified conditions and such Intermediary Participant and its Trading Representative is unable to execute such order by reason of those conditions; or

(c) the transaction is entered into in circumstances prescribed by the Exchange.

22.23 **Acting as Agent to Customer**

22.23.1 When acting as agent, an Intermediary Participant and its Trading Representative must:

(a) carry out the customer’s instructions;

(b) exercise skill, care and diligence;

(c) act in good faith;

(d) act in the best interests of customers, and comply with any obligation for best execution as set out in applicable laws and regulations;

(e) if asked, disclose all circumstances and risks that could reasonably be expected to affect a customer's decision;

(f) if asked, inform the customer of the current best bid and offer prices on the ADDX Platform;

(g) disclose the commission and any benefit directly or indirectly receivable on the transaction;

(h) not enter into a transaction that may conflict with a duty owed to the customer, unless the customer is informed of the conflict and consents to the transaction; and

(i) not disclose a customer's order unless:

(i) the prior written consent of the customer for the disclosure of the information is obtained;

(ii) the disclosure is for the effective execution of the customer's order;

(iii) the disclosure is necessary for the risk management or operations of the Intermediary Participant if these functions have been outsourced by the Intermediary Participant; or

(iv) the disclosure is required or permitted under applicable law or under the Exchange Rules; and

(j) ensure that the person to whom it discloses the customer's order under Rule 22.23.1(i)(ii) and 22.23.1(i)(iii) maintains confidentiality of such information.

22.24 **Arrangement with Customers**

22.24.1 An Intermediary Participant or its Trading Representative must not:

(a) accept a share in the profits of a customer's account carried on the books of the Intermediary Participant or have any arrangement with a customer to share in the profits of that account;

(b) have any arrangement with a third party to allocate profits or losses to a customer's account carried on the books of the Intermediary Participant; or

(c) lead a customer to believe that the customer will not suffer loss as a result of opening an account or dealings.

22.25 **Unauthorised Trading**

22.25.1 A Trading Representative must not:

(a) execute his personal trades in the account of a customer;

(b) execute a customer's trades in his personal account; and

(c) use a customer's account for the trades of any third party without the customer's prior written authorisation.

22.26 **Record of Orders**

22.26.1 An Intermediary Participant or a Trading Representative must ensure that a daily record of orders received from customers is maintained. The record must show the identity of the Trading Representative, account identification of each customer, the specific order, date and the time the order was received, transmitted, amended and executed or cancelled. The record may be electronically stored.

22.26.2 An Intermediary Participant must have adequate security measures in place to prevent unauthorised access to and/or tampering of the audit trail of orders entered into the ADDX Platform.

22.27 **Responsibility for Orders**

22.27.1 An Intermediary Participant is responsible for the accuracy of all orders entered into the ADDX Platform by its Trading Representatives and any dealing assistant.

22.27.2 A Trading Representative is responsible for the accuracy of orders entered into the ADDX Platform by or on behalf of the Trading Representative.

22.27.3 Orders must be entered in accordance with any procedures the Exchange prescribes.

22.27.4 An Intermediary Participant must have in place controls to prevent unauthorised changes to order information entered into the ADDX Platform, including Trading Representative identification numbers.

22.28 **Miscellaneous**

22.28.1 An Intermediary Participant and a Trading Representative must not knowingly take advantage of a situation arising from:

(a) a breakdown or malfunction in any of the Exchange’s procedures or systems; or

(b) errors made by the Exchange.

ADDX Exchange Rules

Practice Note 10.1 – Trading Hours, Application of Market Phases and Equilibrium Price Algorithm

Issue date	Cross references
Version: 7 October 2021	Exchange Rules 10.1.1, 10.1.2

1. Introduction

1.1 This Practice Note sets out the trading hours, explains the application of the various market phases and the algorithm used by the Exchange in computing the single price for the Opening Routine, Closing Routine and Adjust Phase.

1.2 Rule 10.1.1 says the trading hours and the application of the market phases are as published by the Exchange and that the trading hours and application of the market phases may be varied by the Exchange.

1.3 Rule 10.1.2 sets out the various market phases.

2. Trading Hours

The trading hours are from Monday to Friday (GMT +8) 9.00am to 5.00 pm. The Opening Routine is a 30 minute session before trading commences at 9.00am and the Closing Routine is a 6 minute session that commences at 5.00pm. Further details on the Opening Routine and Closing Routine are set out below.

3. Application of the Market Phases

The following is a summary of how the various market phases are applied:

Opening Routine	Pre-Opening	8.30am to 8.58am
	Non-Cancel	8.58am to 9.00am*
Trading	Trading	9.00am to 5.00pm
Closing Routine	Pre-Close	5:00pm to 5:04pm
	Non-Cancel	5:04pm to 5:06pm*
Close	Close	From 5.06pm onwards

3.1 Opening Routine

(a) The Opening Routine is a 30 minute session before normal trading starts at 9.00am. It comprises a Pre-Open Phase and a Non-Cancel Phase.

(b) During the Pre-Open Phase orders can be entered, modified and withdrawn. There will be no matching of orders during the Pre-Open Phase. The Pre-Open Phase will end randomly from 8.58am to 8.59am.

(c) The Non-Cancel Phase will commence simultaneously with the end of the Pre-Open Phase, which will be anytime from 8.58am to 8.59am*. During this phase, orders cannot be entered, modified or withdrawn, and the opening price is determined. The phase ends concurrently with the start of trading at 9.00am.

(d) All unmatched orders are carried forward to Trading.

3.2 Trading

(a) Trading is from 9.00am to 5.00pm, during which orders can be entered, modified and withdrawn. Orders are matched based on price-time priority.

(b) All unmatched orders are carried forward to the Closing Routine.

3.3 Closing Routine

(a) The Closing Routine is a 6 minute session after trading stops at 5.00pm and comprises a Pre-Close Phase and a Non-Cancel Phase.

(b) During the Pre-Close Phase orders can be entered, modified and withdrawn. There will be no matching of orders during the Pre-Close Phase. The Pre-Close Phase will end randomly from 5.04pm to 5.05pm.

(c) The Non-Cancel Phase will commence simultaneously with the end of the Pre-Close Phase, which will be anytime from 5.04pm to 5.05pm*. During this phase, orders cannot be entered, modified or withdrawn, and the closing price is determined. The phase ends at 5.06pm.

(d) All unmatched orders are carried forward to the next trading session.

*The end of the Pre-Open Phase/Pre-Close Phase and the commencement of the Non-Cancel Phase is designed to be random to reduce risk of price manipulation.

3.4 Adjust Phase

(a) An Adjust Phase operates upon the lifting of a trading suspension and is typically a 15 minute session, although a longer time may be specified. For illustrative purposes only, the market phases upon the lifting of a trading suspension (assuming the suspension is lifted at 10.00am) are applied as follow:

Adjust	10.00 am to 10.15am*
Non-Cancel	10.15am to 10.17am*
Trading	10.17am

(b) During the Adjust Phase orders can be entered, modified and withdrawn. There will be no matching of orders during the Adjust Phase. A Non-Cancel Phase shall follow immediately after the Adjust Phase.

(c) The Non-Cancel Phase will begin simultaneously with the end of the Adjust Phase which will be any time within a 2 minute window. Orders from the Adjust Phase will be carried forward into the Non-Cancel Phase and during this phase, orders cannot be entered, modified or withdrawn, and single price is determined before trading resumes.

(d) All unmatched orders will be carried forward to the next trading session.

(e) When the end of the Adjust Phase coincides with the Opening Routine or Closing Routine, orders entered are carried forward into and matched accordingly in the respective Opening Routine or Closing Routine.

*The end of the Adjust Phase and the commencement of the Non-Cancel Phase is designed to be random to reduce risk of price manipulation.

4. Algorithm for Equilibrium Price

4.1 The methodology for computing the single price at which orders at the end of the Opening Routine, Closing Routine and Adjust Phase are matched ("**Equilibrium Price**") is as follows:

(a) The Equilibrium Price is the price that has the largest tradeable volume (being the lower of the accumulative bid volume and ask volume at a certain price).

Bid Volume	Price ($)	Ask Volume	Cumulative Bid Volume (a)	Cumulative Ask Volume (b)	Tradable Volume (lower of (a) and (b))	Imbalance [(a)-(b)]	Pressure
15	1.12	0	75	0	0	75	Buy
15	1.13	0	60	0	0	60	Buy
0	1.14	10	45	10	10	35	Buy
20	**1.15**	**20**	**45**	**30**	**30**	**15**	**Buy**

Bid Volume	Price ($)	Ask Volume	Cumulative Bid Volume (a)	Cumulative Ask Volume (b)	Tradable Volume (lower of (a) and (b))	Imbalance [(a)-(b)]	Pressure
25	1.16	0	25	30	25	5	Sell
0	1.17	10	0	40	0	40	Sell

Equilibrium Price is $1.15.

(b) If there is more than one price with the same largest tradeable volume the Equilibrium Price is the one with the lowest order imbalance (where imbalance refers to the net difference between cumulative bid and ask volume).

Bid Volume	Price ($)	Ask Volume	Cumulative Bid Volume (a)	Cumulative Ask Volume (b)	Tradable Volume (lower of (a) and (b))	Imbalance [(a)-(b)]	Pressure
10	1.12	0	50	0	0	50	Buy
0	1.13	0	40	0	0	40	Buy
0	1.14	30	40	30	30	10	Buy
0	**1.15**	**25**	**40**	**55**	**40**	**15**	**Sell**
40	1.16	5	40	60	40	20	Sell
0	1.17	0	0	60	0	60	Sell
0	1.18	10	0	70	0	70	Sell

Equilibrium Price is $1.15.

(c) If market orders are present and the market order volume on one side exceeds the cumulative order volume on the opposite side, there would be a market order surplus – meaning that the lowest imbalance occurs at the market price. If so, the Equilibrium Price would be one tick above the side with the market order surplus.

Bid Volume	Price ($)	Ask Volume	Cumulative Bid Volume (a)	Cumulative Ask Volume (b)	Tradable Volume (lower of (a) and (b))	Imbalance [(a)-(b)]	Pressure
0	1.12	10	50	10	10	40	Buy
0	1.13	0	50	10	10	40	Buy
0	1.14	10	50	20	20	30	Buy
10	1.15	0	50	20	20	30	Buy
0	1.16	0	40	20	20	20	Buy
10	1.17	0	40	20	20	20	Buy
0	1.18	0	30	20	20	10	**Buy**
30	MKT		30	20	20	10	Buy

In the above example, the market surplus order is on the buy side and the Equilibrium Price will be set at one tick above the highest buy limit order.

Bid Volume	Price ($)	Ask Volume	Cumulative Bid Volume (a)	Cumulative Ask Volume (b)	Tradable Volume (lower of (a) and (b))	Imbalance [(a)-(b)]	Pressure
0	MKT	30	20	30	20	10	Sell
0	1.12	0	20	30	20	10	Sell
0	1.13	10	20	40	20	20	Sell

0	1.14	0	20	40	20	20	Sell
0	1.15	10	20	50	20	30	Sell
10	1.16	0	20	50	20	30	Sell
0	1.17	0	10	50	10	40	Sell
10	1.18	0	10	50	10	40	Sell

In the above example, the market surplus order is on the sell side and the Equilibrium Price will be set at one tick below the lowest sell limit order.

(d) If the largest tradeable volume and lowest order imbalance occur at more than one price, the Equilibrium Price will be determined by:

(i) with only buy pressure within the overlap, the Equilibrium Price is the highest price within the price overlap;

Bid Volume	Price ($)	Ask Volume	Cumulative Bid Volume (a)	Cumulative Ask Volume (b)	Tradable Volume (lower of (a) and (b))	Imbalance [(a)-(b)]	Pressure
0	1.12	10	260	10	10	250	Buy
0	1.13	20	260	30	30	230	Buy
50	1.14	50	260	80	80	180	Buy
0	1.15	110	210	190	190	20	Buy
90	**1.16**	**0**	**210**	**190**	**190**	**20**	**Buy**
30	1.17	40	120	230	120	110	Sell
90	1.18	20	90	250	90	160	Sell

Equilibrium Price is $1.16.

(ii) with only sell pressure within the overlap, the Equilibrium Price is the lowest price within the price overlap;

Bid Volume	Price ($)	Ask Volume	Cumulative Bid Volume (a)	Cumulative Ask Volume (b)	Tradable Volume (lower of (a) and (b))	Imbalance [(a)-(b)]	Pressure
20	1.12	90	250	90	90	160	Buy
40	1.13	30	230	120	120	110	Buy
0	**1.14**	**90**	**190**	**210**	**190**	**20**	**Sell**
110	1.15	0	190	210	190	20	Sell
50	1.16	50	80	260	80	160	Sell
20	1.17	0	30	260	30	230	Sell
10	1.18	0	10	260	10	250	Sell

Equilibrium Price is $1.14.

(e) If the largest tradable volume and lowest order imbalance occur at more than one price and there is both buy and sell pressure or nil pressure within the price overlap, the Equilibrium Price is:

(i) the price within the price overlap that is closest to the last traded price;

(ii) where there is no last traded price, the lowest price within the price overlap.

Bid Volume	Price ($)	Ask Volume	Cumulative Bid Volume (a)	Cumulative Ask Volume (b)	Tradable Volume (lower of (a) and (b))	Imbalance [(a)-(b)]	Pressure

0	1.12	10	260	10	10	250	Buy
0	1.13	20	260	30	30	230	Buy
50	1.14	50	260	80	80	180	Buy
0	1.15	130	210	210	210	0	Nil
90	1.16	0	210	210	210	0	Nil
30	1.17	0	120	210	120	90	Sell
90	1.18	0	90	210	90	120	Sell

In this example, assuming the last traded price was $1.17, the Equilibrium Price would be $1.16. If there was no last traded price, the Equilibrium Price would be $1.15.

ADDX Exchange Rules

Practice Note 14.1 – Monitoring Unusual Trading Activity of Participants

Issue date	Cross references
Version: 19 January 2021	Exchange Rule 14.2

1. Introduction

This Practice Note explains the role of the surveillance function ("**Surveillance**") and the procedures typically employed when a Participant is queried regarding trading activities on the ADDX platform. Surveillance may result in measures being imposed on a Participant to address suspected, alleged, or actual prohibited market conduct.

2. Unusual Trading Activity

2.1 Unusual trading activity, without it being apparent that publicly available information could account for the activity, may signify trading by persons who are acting on unannounced material information or on a rumour or report, whether true or false.

2.2 The unusual market activity may not be traceable directly to unannounced information or to a rumour or report. Nevertheless, the market activity itself may be misleading to Participants, who may assume that a sudden and appreciable change in the price of, or volume traded in, the Issuer's security tokens reflects a corresponding change in its business or prospects.

3. Role of Surveillance

3.1 The Trade Surveillance and Monitoring Team ("**TS&M**") monitors market trades and orders to identify unusual trends and patterns of an Issuer's security tokens. Review of public information, company specific news, industry trends, economic factors or prevailing market sentiment will be made to see if such unusual activity can be explained.

3.2 If there is no apparent explanation, the Exchange may issue queries to the Participant. All efforts will be made to contact the Participant to alert the Participant to the Exchange's query.

3.3 A Participant is expected to respond to a query as soon as possible.

ADDX Exchange Rules

Practice Note 15.1 – Characteristics of and Procedures for Trading Halt and Suspension

Issue date	Cross references
Version: 19 January 2021	Exchange Rules 15 and 16

1. Introduction

This Practice Note explains the characteristics of and procedures for a trading halt and suspension.

2. Characteristics

The table below sets out the main characteristics of a trading halt and suspension.

Item	Characteristic	Trading Halt	Suspension
1	Initiating party	A trading halt can be imposed by the Exchange under the circumstances stated in Exchange Rules 15.1	A suspension can be imposed by the Exchange under the circumstances stated in Exchange Rules 16.1.
2	Status of unmatched orders	During a trading halt, all existing orders remain valid but are not matched. Orders cannot be entered, modified or withdrawn.	During a suspension, all unmatched orders will lapse.
3	Duration of trading halt or suspension	A trading halt is not shorter than 30 minutes and not longer than three (3) days. The Exchange may extend the duration of a trading halt beyond three (3) days upon the Issuer's request or if it deems it appropriate.	A suspension may be imposed for a prolonged period.
4	Upon lifting of trading halt or suspension	Upon lifting of a trading halt, orders that can be matched will be matched at a single price based on the algorithm set by the Exchange. Unmatched orders are carried forward into the trading phase.	Upon the lifting of the suspension, the suspended security token will enter into Adjust Phase for a minimum of 15 minutes.

3. Procedures for Trading Halt and Suspension

3.1 A trading halt or suspension can be applied for at any time. An Issuer that wishes to request for a trading halt or suspension must first submit a request for a trading halt or suspension using the prescribed template to the Business Operations team.

3.2 In the announcement for the trading halt or suspension, the reason for the request of the trading halt or suspension should be stated.

4. Procedures for Lifting of Trading Halt and Suspension

4.1 An Issuer may request for the lifting of a trading halt or suspension by submitting a request for the lifting of such trading halt of suspension using the prescribed template to the Business Operations team. Reasons must be given to explain why resumption of trading is appropriate.

4.2 For the lifting of a suspension, before trading resumes, there will be an Adjust Phase of at least 15 minutes to allow Participants to input, modify or cancel existing trade orders. The price post-listing will be determined in the manner described in Practice Note 10.1.