

# Registration Agreement

## Preamble

Whereas Swisschain Holding SA, CHE 265.522.693, a public limited company registered in the Swiss commercial register (hereinafter referred to as the "Company"), with registered seat at 1 Place Longemalle, 1204 Geneva has decided to issue participation capital consisting of a maximum of 10,616,665 participation certificates with a nominal value of CHF 0.01 each, fully subscribed and paid up;

Whereas the Company's articles of association authorize this issue of participation certificates (without voting rights) and the provisions of the Swiss Code of Obligations relating to shares apply to participation certificates, unless otherwise provided by law (Art. 656a para. 2 CO);

Whereas the Company wishes to tokenize these participation certificates in order to represent them digitally on a blockchain, in accordance with the Swiss legal framework on "registered securities" (Art. 973d to 973i CO) derived from the Federal Act on Distributed Ledger Technology (Lex DLT), allowing the issuance of securities on a shared electronic register;

Whereas the Company intends to use the Ethereum blockchain as an electronic register and to deploy a smart contract in order to ensure legal compliance and security of the tokenization;

Whereas the Company has mandated Aktionariat AG, a provider specializing in blockchain infrastructure, to carry out the technical deployment of the smart contract on Ethereum;

The latest version of this Agreement and the Participation Certificate Holders Agreement can be found on the Company's website page: [company.com/investors](http://company.com/investors) ("Website").

Accordingly, the parties agree as follows:

## Article 1 - Definitions

For the purposes of this agreement ("Agreement"), the following terms are defined as follows:

**Distributed Ledger:** the electronic register based on the Ethereum blockchain and the Smart Contract, serving as a register of registered securities within the meaning of Art. 973d CO. This distributed ledger records the rights associated with the Participation Certificate Tokens (issuance, ownership, transfers, etc.) and ensures the publicity of the entries. The Company, in its capacity as debtor of the registered rights, is responsible for the organization and operation of the said register in accordance with this Agreement and legal requirements. The board of directors may change the Distributed Ledger at its own discretion and issue the Participation Certificate Tokens on a different blockchain. The Company bears the costs of migrating to another blockchain and informs the Participation Certificate Token Holders of the steps required to receive the new Participation Certificate Tokens.

**Participation Certificate(s):** equity securities issued by the Company in accordance with Art. 656a et seq. of the Swiss Code of Obligations, with a nominal value of CHF 0.01 each, which do not confer voting rights or any of the rights granted to shareholders, except for the economic rights that the law imperatively grants to Participation Certificate Holders. In particular, their holders shall not have the right to participate in general meetings or to request the convening of a general meeting.

**Participation Certificate Holders Agreement:** the agreement that governs matters of corporate governance, and provides certain rights and set certain restrictions in connection with the Participation Certificates and with respect to their respective rights and obligations as Participation Certificate Holders of the Company.

**Participation Certificate Token(s):** a digital token issued on the Ethereum blockchain via the Smart Contract, representing a Participation Certificate of the Company.

**Participation Certificate Token Holder(s):** a Participation Certificate Holder holding the Participation Certificate Tokens.

Register of Participation Certificates: the Register of Participation Certificates according to the article 8a of the Articles of Association.

Registration Agreement: this Agreement, which constitutes the agreement for registration in the distributed ledger required by Art. 973d CO. It governs the creation, recognition, and transfer of Participation Certificates in the form of the Participation Certificate Tokens registered in the distributed ledger, and is binding on the Company and each Participation Certificate Token Holder (initial and subsequent).

Smart Contract: an ERC-20 token issued by Aktionariat AG under the smart contract [hash number] (the "Smart Contract"), named Swisschain Holding Participation Certificate with symbol "SCH", with the extensions recommended by the Swiss Blockchain Federation, decentralized recovery, an allowlist, and minor additional improvements such as infinite allowances and ERC-677 support. The Participation Certificate Tokens are not divisible. The source code of the Smart Contract determines its functionality. It can be found on Polyscan under:

[\[etherscan.com/address/\[hash number\]\]](https://etherscan.com/address/[hash number])

TO BE FINALIZED AFTER THE DEPLOYMENT OF SMART CONTRACTS]

Swisschain Holding Shares SHA (SCHS): this is a placeholder token that represents the Participation Certificates Tokens bound to the automatically enforceable Participation Certificate Token Holders Agreement that can be found on the Website. Holders of placeholder tokens are bound to both this Agreement as well as any additional agreements embodied by the held placeholder tokens.

## **Article 2 - Purpose and legal framework**

### Purpose of the Agreement

This Agreement establishes the terms and conditions for the issuance of 10,616,665 Swisschain Holding SA participation certificates (the "Participation Certificates") in the form of ledger-based securities on the Ethereum blockchain (the "Participation Certificate Tokens"), as well as the rights and obligations attached to these Participation Certificate Tokens, such as, including but not limited to, the rules of transfer and the process in case of loss thereof. Its purpose is to establish the legal framework for the tokenization of these instruments, in accordance with the Swiss Code of Obligations. The Agreement serves as a "register agreement" (or registration agreement) between the Company and the Participation Certificate Token Holders, within the meaning of Articles 973d and 973f CO, and defines, in particular, the agreed transfer restrictions, the functioning of the distributed register, and the information provided to investors in accordance with Art. 973i CO.

The Company and all Participation Certificate Token Holders are bound to this Agreement. The Agreement may be updated by the Company from time to time to reflect the latest legal and technical developments, as well as decisions taken by the general assembly, or the board of directors as tasked by the general assembly. The Company makes the currently applicable version of this Agreement available on the Website and, where necessary, informs the registered Participation Certificate Holders in accordance with the articles of association.

## **Nature of Tokens - registered securities.**

The parties acknowledge that the Participation Certificate Tokens issued pursuant to this Agreement constitute ledger-based securities with registered rights within the meaning of Art. 973d of the Swiss Code of Obligations, i.e., rights resulting from the Company's participation certificates, recorded in a distributed electronic register (the Ethereum blockchain) whose operation guarantees the Participation Certificates Token Holders exclusive disposal of their right by technical means and ensures the integrity of the entries. The transfer and enforceability of these rights are governed by the provisions of the Swiss Code of Obligations applicable to registered rights (Art. 973d et seq. CO) and by the terms of this Agreement.

## **Legal recognition of Participation Certificate Tokens.**

The Company recognizes each valid Participation Certificate Token registered in the distributed ledger as equivalent to a participation certificate duly issued under Swiss company law. Registration in the distributed

ledger confers on the Participation Certificate Token Holder the status of participant (within the meaning of Art. 656a CO) with respect to the Company, with the related rights and obligations defined in Article 3 below. In return, each Participation Certificate Token Holder agrees that the maintenance of the distributed ledger replaces physical securities documents or traditional securities registers, and serves as proof of their status as holders of the rights incorporated in the Participation Certificate Token (presumption of ownership and exclusivity in accordance with Art. 973e CO). The Company remains liable for the rights incorporated in the Participation Certificate Tokens solely to the holder registered in the distributed ledger (Art. 973e para. 1 CO).

## **Contractual documentation.**

Ownership of a Participation Certificate Token implies the Participation Certificate Token Holder's unreserved acceptance of the terms of this Agreement. The Company shall provide a copy of the Agreement to each Participation Certificate Token Holder prior to the issuance or acquisition of Participation Certificate Tokens and undertakes to make it available at all times (e.g., by publishing it on its Website). This Registration Agreement and the Participation Certificate Token Holders Agreement are recorded in the Smart Contract.

## **Article 3 - Rights attached to Participation Certificates Tokens**

Economical rights.

Each Participation Certificate Token confers on its holder a right to receive a proportional share of the profits distributed (dividends) decided by the general meeting, in the same way as a shareholder for a security of the same nominal value (Art. 660 CO and Art. 656f CO).

## **No voting rights or other corporate rights.**

In accordance with the legal nature of Participation Certificates (Art. 656a para. 1 CO), Participation Certificate Tokens do not confer voting rights at general meetings, nor do they confer social rights related to voting rights (such as the right to convene a meeting, to propose items for the agenda, to request information at general meetings, etc., Art. 656c CO).

Participation Certificate Token Holders do not participate in shareholder votes and cannot influence the Company's management decisions through voting.

## **Article 4 - Technical conditions for tokenization**

### **Organization of the distributed ledger**

In accordance with legal requirements (Art. 973d para. 2 CO), the Company ensures that the Distributed Ledger (the Ethereum blockchain) is organized in accordance with its purpose and in a secure manner. In particular: (a) the system in place ensures that only Participation Certificate Token Holders have the power to dispose of their Participation Certificate Tokens using their personal cryptographic keys, to the exclusion of the Company, which cannot transfer or assign the Participation Certificate Tokens without the intervention of the Participation Certificate Token Holder; (b) the integrity of the Participation Certificate Token registry is protected against any unauthorized modification, thanks to the properties of the Ethereum blockchain (cryptographic security, decentralized consensus) and the organizational measures taken; (c) the content of the rights incorporated in the Participation Certificate Tokens, the operation of the distributed ledger, and the provisions of the Registration Agreement (this Agreement) are recorded in the Smart Contract, ensuring transparency regarding the characteristics of the Participation Certificate Tokens; (d) each Participation Certificate Token Holder may, at any time and without the assistance of third parties, verify their holdings and the entries concerning them in the distributed ledger (for example, by consulting the public Ethereum address associated with their wallet via a blockchain explorer), and thus check the integrity and accuracy of the records relating to their Participation Certificate Tokens (Art. 973d para. 2 ch. 4 CO). The technical configuration chosen also allows authorized third parties (e.g., the Company's auditors or competent regulatory authorities) to view the entire ledger, while respecting the pseudonymity of blockchain addresses.

## **Security, key storage and loss of Participation Certificate Tokens**

Each Participation Certificate Token Holder is responsible for the management and security of his electronic wallet and the private keys associated with the Ethereum address to which their Participation Certificate Tokens are allocated. Possession of a private key confers control over the corresponding Participation Certificate Tokens; consequently, the loss or theft of this key may result in the loss of control over the Participation Certificate Tokens. The Company recommends that Participation Certificate Token Holders take all appropriate measures to secure their keys (use of secure wallets, offline storage, etc.).

In the event of loss of the private key, by default, all issued Participation Certificate Tokens are subject to a recovery function embedded in the Smart Contract. The recovery function allows Participation Certificate Token Holders that lost access to their Participation Certificate Tokens to reclaim them. Potential abuse of the recovery function is guarded against by requiring a collateral and by having a suitably long period during which counterclaims can be filed. It is possible to opt out from the recovery function on a per-address basis by invoking the respective function. As a further fallback to prevent abuse, the Company is given the power to cancel a pending token recovery, thereby preventing the recovery from completing. The Company agrees to only exert this power in case of suspected abuse or errors.

Alternatively, lost Participation Certificate Tokens can be declared invalid by a judge and replaced with new Participation Certificate Tokens in accordance with the procedure laid out in article 973h CO. Accordingly, the beneficiary of lost Participation Certificate Tokens may demand the competent court at the seat of the Company to cancel the respective ledger-based securities, provided that the beneficiary furnishes credible evidence of its original power of disposal and of the loss thereof. The cancellation procedure according to article 982 - 986 CO applies mutatis mutandis, except that only one public notice for presentation of the security in the Swiss Official Gazette of Commerce is required, and the time limit (waiting period) is at least one month after the public notice. Invalid Participation Certificate Tokens remain in the Smart Contract but do not allow registration in the Share Register anymore. The Company will inform about invalid tokens on the Website. Anyone regaining control over lost tokens is required to return them to the Company or burn them.

## **Article 5 - Issuance of Shares as Share Tokens**

The Company's articles of association allow the board of the Company to change the form of the Participation Certificates in its sole discretion or upon request of the respective shareholder, including the conversion into ledger-based securities according to article 973d ss. CO. Upon resolution by the board of the Company, the Company mints exactly one indivisible Participation Certificate Token to an address designated by the respective participant for each Participation Certificate that is to be tokenized. Henceforth, the Participation Certificate Token shall be attached to the Participation Certificate such that it may neither be transferred nor its associated rights (namely the right to register the Participation Certificate in the Register of Participation Certificates) exercised without the token. Each Participation Certificate Token is always associated to exactly one address in the address space of the Blockchain, with the address enabling Participation Certificate Token Holders to prove their power of disposal over the associated Participation Certificate Tokens and to assert their rights.

The board of the Company may, in its sole discretion or upon request of the respective Participation Certificate Token Holder, reverse the tokenization of Participation Certificates and issue the Participation Certificate Tokens in another form as stipulated in the Articles of Association. In case all, but not less than all, Participation Certificate Tokens are to be issued in another form, the board may, by giving prior notice to all Participation Certificate Token Holders of 10 calendar days, declare all Participation Certificate Tokens null and void and issue the respective Participation Certificates in a new form to the Participation Certificate Token Holders as registered at the date of conversion. In case that only a fraction of outstanding Participation Certificate Tokens is to be issued in another form, such Participation Certificate Tokens shall be returned to the Company and burned by the Company prior to the re-issuance of the Participation Certificates in another form.

## **Article 6 - Transfer of Tokens and Restrictions**

### **6.1 Principle of conditional free transferability.**

This section defines the transfer of participation certificates that are issued as Participation Certificate Tokens in accordance with article 973f CO and the articles of association of the Company.

Subject to the restrictions set out below, Participation Certificate Tokens may be transferred by their holder to a third party by means of a simple transfer on the blockchain (mechanically, by instructing an Ethereum transaction from the holder's wallet to the new acquirer's wallet). In accordance with the law (Art. 973f CO), the validity of the transfer requires: (a) a legal title of acquisition between the transferor and the transferee (e.g., a contract of sale, donation, etc., entered into off-chain), and (b) the effective registration of the transfer in the distributed ledger, i.e., the transfer of the Participation Certificate Token to the transferee's address in the Smart Contract. No traditional written assignment or endorsement is required, as registration in the distributed ledger serves as an enforceable transfer of ownership. The date and time of the transaction recorded on the blockchain will constitute the effective date of transfer of the rights attached to the Participation Certificate Token. The Company will recognize the new purchaser as the legitimate owner of the Participation Certificate Token as of the date of registration, provided that it is in accordance with the terms of this Agreement and the Articles of Association.

Any action that technically transfers the direct or indirect power of disposal of the Participation Certificate Token to the new Participation Certificate Token Holder constitutes a transfer. This includes, but is not limited to ERC-20 token transfers to a new address, the handover of a private key in the form of a paper wallet, the internal assignment of the token to a different client of an intermediary that stores the token on behalf of the client, the change of ownership of a smart contract through which the token is held, or even the theft of a token by a hacker. The technical transfer of Participation Certificate Tokens may be subject to the target address being allowlisted, thereby technically preventing transfers to addresses that have not been previously approved by the Company.

In case of a technical transfer without a valid underlying legal cause (e.g. in case of theft), it is the prior Participation Certificate Token Holder's sole responsibility to take appropriate legal action. Except in case of an enforceable judgment or clear evidence to the contrary, the Company will allow the new Participation Certificate Token Holder as the rightful beneficiary of the associated rights in accordance with art. 973 CO.

## **Article 6 - Registration and exercise of rights**

### Identification of holders – Register of Participation Certificates

Although the distributed register provides proof of ownership of the Participation Certificate Tokens in a pseudonymous manner (via blockchain addresses), Participation Certificate Token Holders must be identified by name by the Company in order to effectively exercise certain rights and to enable the Company to comply with its legal obligations (record keeping, communication with authorities, etc.). In accordance with company law, the Company keeps an off-chain Register of Participation Certificates (the "Register of Participation Certificates") that is separate from the on-chain Smart Contract (similar to a register of registered shares) in which the name and address of each Participation Certificate Token Holder is recorded, along with the number of Participation Certificate Tokens held. Only registration in this Register of Participation Certificates allows a Participation Certificate Token Holder to be formally recognized as a participant by the Company, in particular for the exercise of rights to dividends and other benefits. In practice, once registered, any Participation Certificate Token Holder will be immediately entered in the Register of Participation Certificates for the Participation Certificate Tokens they subscribe to or acquire. In the event of a subsequent acquisition of Participation Certificate Tokens, the Participation Certificate Token Holders must ensure that their identity is already known to the Company. If this is not the case, the new purchaser must immediately provide the Company with the information necessary for their registration in the Register of the Participation Certificates (otherwise, they will not be able to receive dividends, for example, until they have made themselves known). Until registration, all rights remain with the previously registered Participation Certificate Token Holder. For as long as any Participation Certificate Token Holder fails to comply with the obligations to give the registration notice to the Company, the rights conferred by the Participation Certificates are suspended and the economic rights conferred by the Participation Certificates are forfeited.

Any person, legal or natural, that can demonstrate the power to dispose over a Participation Certificate Token, can request the registration in the Register of Participation Certificates, providing the necessary personal information as required by the relevant forms provided on the Website. The Company is free but not required to recognize indirect means of demonstrating the power of disposal, for example for tokens held indirectly on a "layer two blockchain" via a bridge contract, through a sub-register, or for tokens held through an intermediary. Use of such indirect means is at the sole risk and responsibility of the Participation Certificate Token Holder

and the Company disclaims any warranty and liability for such indirect means.

Any person who alone or by agreement with third parties acquires Participation Certificates and thus reaches or exceeds the threshold of 25 per cent of the Participation Certificates must within one month give notice to the Company of the ultimate beneficial owner as per art. 697j CO.

## **Exercise of dividend rights**

Dividends approved by the general meeting of shareholders will be distributed to Participation Certificate Token Holders registered in the Participants Register on the record date. The Company will announce in a communication (e.g., by mail/email to the registered addresses) the amount of the dividend per Participation Certificate Token, the payment date, and the practical arrangements for Participation Certificate Token Holders. Unless otherwise decided, dividends will be paid in Swiss francs (CHF) by bank transfer to an account designated by the Participation Certificate Token Holders. Each Participation Certificate Token Holder must provide the Company with their current bank details and ensure that they are accurate. Unless otherwise specified, however, dividends will be paid off-chain. The payment of a dividend to the address or account provided by the holder will release the Company from its obligation to pay the corresponding amount (Art. 973e para. 2 CO). For as long as any Participation Certificate Token Holder fails to comply with the obligations to give the registration notice to the Company, the rights conferred by the Participation Certificates are suspended and the economic rights conferred by the Participation Certificates are forfeited.

## **Article 7 - Burning Participation Certificate Tokens**

Burning a Participation Certificate Token is the technical process of deleting it from the Smart Contract or making it otherwise permanently and provably inaccessible. The ability to burn Participation Certificate Tokens is part of the ERC-20 standard. However, Participation Certificate Token Holders are advised to consult with the Company before burning any Participation Certificate Tokens and to agree with the Company on the purpose and consequences of the burning. For example, burning a Participation Certificate Token can make sense when the Participation Certificate Token Holder and the Company agreed to convert them into a different legal form. The Company may even provide automated means to allow Participation Certificate Token Holders to burn Participation Certificate Tokens under this Agreement and mint new ones under a different agreement or in a different form, thereby converting their Participation Certificates.

## **Article 8 - No Encumbrances**

**The Participation Certificates shall not be pledged, assigned by way of security or otherwise used as security and shall remain free and clear of any liens, encumbrances, charges or any other third-party rights.**

**The registration of a security encumbrance (collateral) in accordance with article 973g section 1 number 1 CO is technically not supported in the Smart Contract. The legally valid establishment of a security on a Participation Certificate Token therefore requires the transfer of the Participation Certificate Token, either to the beneficiary or to a smart contract that supports the establishment of securities encumbrance.**

## **Article 9 - Subjecting Participation Certificate Tokens to other Agreements**

Shareholders of the Company are free to enter into separate agreements regarding their shares or Participation Certificates and to technically subject their tokens to these terms using wrapper contracts ("sub-registers") or other suitable means. An example could be a vesting contract that subjects employee shares to an automatically enforced vesting schedule. Another example could be a wrapper contract that allows shareholders to automatically enforce the drag-along clause or other terms of a shareholder agreement. It is the responsibility of the Participation Token holders to inform themselves about the additional terms they implicitly bind themselves to when buying or otherwise obtaining indirectly held SHA Tokens ("placeholder tokens"). When setting up sub-registers that come with their own terms, we recommend hinting at the presence of these additional terms in the name and symbol of the placeholder token, for example by adding "SHA" to the end of the name and an "S" to the end of the ticker.

## **Article 10 - Hard Fork**

In case of a controversial split of the Blockchain (hard fork), the Company decides, at its own discretion, which version of the Blockchain will be considered to hold the real Participation Certificate Tokens and communicates this decision on the Website.

## **Article 11 - Limitations of liability of the Company**

The Company shall not be held liable for any damage resulting directly from the Investor's fault or negligence (e.g., loss of key due to carelessness, incorrect handling of their wallet, failure to comply with transfer procedures) or from a force majeure event affecting the functioning of the blockchain (e.g., global interruption of Ethereum beyond its control). Similarly, the Company does not offer an absolute guarantee against the risks inherent in DLT technologies (cyberattacks, unpredictable bugs, etc.), although it has taken measures to minimize them as described.

Unless explicitly stated otherwise and except in cases where such exclusion is not permitted under applicable law (such as in cases of willful misconduct and gross negligence, or for incorrect or misleading statements relating to the content and functionality of the Participation Certificate Tokens), all representations and warranties with regard to the Participation Certificate, the Participation Certificate Tokens, the Smart Contract and the Blockchain and any liability by the Company or any person acting on behalf of the Company with regard thereto are herewith excluded.

It should be noted that by accepting this Agreement, Participation Certificate Token Holders acknowledge the innovative nature of tokenization and the associated technological risks, which they accept in full knowledge of the facts, subject to the legal and contractual safeguards put in place.

## **Article 12 - Final provisions**

### 12.1 Term ; amendment

This Agreement shall enter into force on the date of the initial issuance of the Participation Certificate Tokens and shall remain in force for as long as Participation Certificate Tokens representing the Participation Certificate issued remain in circulation. It shall cease to have effect once all Participation Certificate Tokens have been redeemed, converted, or canceled, and no Participation Certificate Holder holds any Participation Certificate Tokens. The Company may make minor or formal amendments (e.g., updating contact details, correcting material errors, adapting to new legal numbering) without prior consultation with each Participation Certificate Token Holder, provided that this does not alter the substantive rights and obligations. Any amendments will be communicated to Participation Certificate Token Holders within a reasonable time before they take effect.

### Severability/Good Faith

Should any part or provision of this Agreement be held to be invalid by any competent court, governmental or administrative authority having jurisdiction, the other provisions of this Agreement shall nonetheless remain valid. In this case, the Company shall dictate a substitute provision that best reflects the economic intentions without being unenforceable and shall execute all agreements and documents required in this connection. The same shall apply if and to the extent that this Agreement is found to contain any gaps or omissions.

## 12.3 Applicable law and jurisdiction

This Agreement, as well as any matter relating to the Participation Certificate Tokens issued, shall be governed by Swiss law. The mandatory provisions of the Swiss Code of Obligations relating to public limited companies and registered securities (in particular Articles 973d to 973i CO, Article 656a et seq. CO) shall apply to any matter not expressly regulated by the Agreement. In the event of a dispute arising from the Agreement or the holding of Participation Certificate Tokens, the parties shall endeavor to find an amicable solution. Failing this, the ordinary courts of the Company's registered office shall have sole jurisdiction (exclusive jurisdiction).

## 12.4 Resolution

The board of directors hereby adopts this Agreement in a circular resolution. It replaces all previously adopted registration agreements (if any) concerning the same ledger.

# Frédéric Pignolo Loïc Giacomin

# Andrew Reistad