RESPONSES TO REVIEWERS FOR MILESTONE 2 – 5 Nov 2025

Reviewers	Responses
Reviewer 1: Approved	N/A.
Reviewer 2: Approved	N/A.
Reviewer 3: Not approved In the Factsheet, the token is described as being issued and registered on the Avalanche C-Chain under §16 of the German Electronic Securities Act (eWpG). So Avalanche serves as the legal and technical infrastructure for the issuance and registration of the security. It's not clear what is the role of Cardano here. For approval, the issuer would need to clearly define whether Cardano's function is limited to payments, extends to governance, or involves future interoperability between chains. The PoA also lacks technical specifications such as consensus type, validator model, or smart contract details as is declared in the evidence.	As stated in the approved catalyst proposal and in line with applicable regulations, we committed to specifying the following: "*Token Type and Standard: Indicate token type (e.g., ERC-20) and issuing blockchain*." We have therefore stated that "*The security is represented by a digital token (Insti-Token) compliant with the ERC-20 standard on the Avalanche (C-Chain) blockchain*." ➔ We therefore confirm your understanding that Avalanche serves as the legal and technical infrastructure for the issuance and registration of the security. You can see further technical details in the notes section below and we have slightly updated the factsheet as per your suggestion (in track changes mode to ease your review). To answer your question regarding Cardano's function, the nexus with the Cardano community is indeed limited to payments for now – we have negotiated with Chartered, the infrastructure provider, that ADA is considered as an eligible cryptocurrency for payment, as evidenced in the documentation that we submitted for this milestone 2. Chartered's leadership is enthusiast with this first project for them with Cardano advocates and we therefore plan to explore – in the subsequent milestones of the project (notably milestone 3 and 4) further interactions between chains. Please note however that such details are not required by law in the documentation that we had to prepare for milestone 2, which is the reason why we provide this information into this current response and not the in the official regulatory documentation.

Additional comments:

- The token is generated as a crypto security in accordance with the German electronic securities act (eWpG) under governance of the German finance supervisor BAFIN.
- Technically it is based on the Ethereum Request for Comments (ERC)-20 Token Standard and recorded in Avalanche (C-Chain) Blockchain in a Smart Contract maintained and deployed by the Bafin-licensed Crypto security registrar E-Sec (E-Sec GmbH). The security contains an official ISIN (tba) and the shortcut name of the product is "Opus920" as the issuer of the product is Chartered Issuances SA Compartment C920. The product is published and listed in the official BAFIN cryptosecurity register on behalf of the Issuer.
- E-SEC currently uses the decentralized record systems Ethereum, Avalanche, and XCAP for its ledger management. These systems are all based on the Ethereum Virtual Machine (EVM) and allow transactions to be executed, which are stored in a universally valid time sequence

and are accessible to network participants. The creation, validation, and storage of transactions in these decentralized record systems follow a predefined pattern (such as the Ethereum client protocol). E-SEC itself does not operate any network nodes for participation in these networks. In each decentralized record system used, E-SEC has created a factory smart contract that allows E-SEC to create standardized, issuance-related smart contracts ("record contract").

- For each issuance of electronic securities, i.e., for each ISIN, a separate record contract is generated on the decentralized record system. The registration agreement contains minimum information regarding the register's content (master data) as well as a table with the holders' addresses (i.e., a list of unique identification numbers (pseudonyms) of the securities holders) and their respective corresponding quantities (number of crypto securities held; one (1) token corresponds to one security held). The holder's address corresponds to the public wallet address, which is derived from the wallet holder's public cryptographic key.