

September 2006

Legislation and Regulation – Domestic

Collective Investment Schemes – Ordinance

In its comments on the draft Ordinance on Collective Investment Schemes our Association strongly supports the simplifications in publication and registration procedures. It further suggests that foreign-registered asset managers must not obtain a second authorisation by the Swiss supervisory and that internal audit can be outsourced.

Law and Ordinance will (most likely) enter into force on 1.1.2007. The guidelines of the Swiss Federal Banking Commission and self-regulation of the Swiss Funds Association must be adjusted. The draft revisions are expected to be published in October 2006.

"Swiss Finish", especially with regard to the registration of foreign funds, is said to remain unchanged.

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SFBC on Structured Products

The Swiss Federal Banking Commission withdrew its policy statement on structured products (published in

June 2005). The regulatory practice set out in the statement has become incompatible with the new Law and Ordinance on Collective Investment Schemes.

The Swiss Bankers' Association is currently drafting a self-regulatory text on client information in the distribution of structured products.

Info: [DE](#) ; [EN](#) ; [FR](#) (entry dd 21.7.2006); policy statement: [DE](#) ; [EN](#) ; [FR](#) (entry dd 16.6.2005)

SFA – Transparency in Management Fees

The Swiss Funds Association and the Swiss Federal Banking Commission agreed on postponing the requirements to disclose the fee structure. The Swiss rule should conform with MiFID which requires transparency at the point of sale.

Our Association already proposed to regulate transparency in conformity with EU rules in November 2005.

Info: Media Release SFA: [DE](#) ; [EN](#) ; [FR](#). Comment by Geneva University: [link](#) (French)

Legislation and Regulation – International

Basel II – Further Doubts on Timetable

According to press reports representatives of the German financial centre had mentioned that, due to ongoing discussions in the USA, the implementation of Basel II might be delayed. Comments made in the meantime by the EU Commission and the Swiss Federal Banking Commission affirmed that the initial schedule will be maintained.

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The Hague Securities Convention

On 5 July 2006, Switzerland signed the Hague Convention on Securities, as did the USA. At the same time the Federal Administration is adapting the Swiss legal framework to international standards by reviewing the Law on Securities held with an Intermediary.

Info: on The Hague Convention: [DE](#) ; [FR](#) ; [IT](#) ; on the Law of Securities held with an Intermediary: [DE](#) ; [FR](#)

The EU Commission issued a legal opinion on the compatibility of the Convention with relevant EU law.

Info: [DE](#) ; [EN](#) ; [FR](#)

The Single European Payments Area (SEPA)

The European Payments Council, where Switzerland is a member works on the implementation of SEPA. Through common rules and technical standards, SEPA will enhance competition among and efficiency of national and international payment systems. The common standards will become effective from 2008 and replace the existing processes by 2010. The European Payments Council's members belong to the banking community of the EU and EFTA countries.

Info: www.europeanpaymentscouncil.org

Miscellaneous

Action Plan in Case of Pandemia

The Federal Office of Public Health (FOPH) updated its action plan for an influenza pandemic. The plan is based on the WHO recommendations and helps private and public entities to plan their own measures.

On its March 2006 meeting the Financial Stability Forum emphasised the important role of financial authorities in updating business continuity plans.

Banks in Switzerland include pandemic issues in Business Continuity Plans. Globally active banks tend to adopt plans on an international level but with specifications for particular local situations.

Info: FOPH: [DE](#) ; [FR](#) ; WHO: [link](#) ; FSF: [link](#)

Frustration and Resignation of Employees

Employers in the German speaking part of Switzerland estimate that about 14% of their employees have resigned on the job: they continue going to work but are frustrated with what they do. Mainly concerned are employers in banking, insurance and public administration with staff of more than 100. HR management and personal relations are said to be the main causes for the difficulties.

Info: [DE](#) ; [FR](#). Survey by Federal Administration on its own Personnel: [DE](#) ; [FR](#)

Internal

MEMBERS

NEW MEMBERS: P&P Private Bank Ltd.

CHANGE OF COMPANY NAME: F. van Lanschot Bankiers (Switzerland) Ltd. *in* Van Lanschot Bankiers (Switzerland) Ltd. – NATIONAL BANK OF KUWAIT (SUISSE) SA *in* NBK Private Bank (Switzerland) Ltd.

TERMINATION OF MEMBERSHIP: BAGEFI Ltd. – Sal. Oppenheim jr. & Cie Corporate Finance (Switzerland) Ltd. – UEB (SWITZERLAND) – UFJ Bank (Switzerland) Ltd.

COMING EVENTS (For Members Only)

Autumn: The Law on Collective Investment Schemes and related (self-)regulation: Geneva, Lugano, Zurich.

Finanzplatz Luxemburg: Perspektiven und neue Herausforderungen: J. Meyer, Chairman, Association des Banques et Banquiers Luxembourgeois: Zurich:

7.11.2006; in co-operation with the Business Club Belgo-Luxembourgeois en Suisse.

MiFID - Implications for Foreign Banks in Switzerland: M. Raggenbass, KPMG, and speakers from the EU: Zurich: 14.11.2006 with S. Nachtsheim, Verband der Auslandsbanken in Deutschland, Frankfurt/M; Geneva: 21.11.2006 with O. Motte, Calyon, Paris; Lugano: 30.11.2006 with Luca Zitiello, Camozzi & Bonisconi Studio Legale, Milan.

Autumn: The new capital adequacy reporting form: Geneva, Zurich, possibly Lugano.

Soft requirements in the realms of internal surveillance and operational risks – the new SFBC Circulars: Zurich: 28.11.2006; Geneva: 4.12.2006; Lugano: 6.12.2006

35th Ordinary General Assembly: Prof. Meir Statman, Sta Clara University; Georg Wübker, Simon, Kucher & Partners. Zurich: 6.6. 2007.

Last Minute

- The Swiss Bankers' Association published its Banking Barometer 2006 presenting actual trends in the banking industry: [DE](#) ; [EN](#)
- A new brochure by the Federal Department of Finance presents the international role of the Swiss financial centre: [DE](#) ; [EN](#) ; [FR](#) ; [IT](#)
- The latest brochure by Avenir Suisse informs on demographical trends: [DE](#) ; [FR](#)
- The Swiss Federal Institute for Intellectual Property has issued a Guide "Intellectual Property for Beginners": [link](#)
- A guide by the Swiss-Australian Chamber of Commerce informs on Dos and Don'ts in relationships with Australians: [text](#) (EN)
- The Swiss Embassy in New Zealand makes available a compendium of legal provisions governing business activities: [text](#) (EN)
- The Swiss Business Hub Spain informs on the key addresses for business in Spain: [text](#) (DE)
- A new website by the EU informs on the financial market regulation of the EU members is available: [DE](#) ; [EN](#) ; [FR](#)
- The Committee of European Securities Regulators (CESR) has published its Annual Report 2005: [text](#)
- The Swiss Banking Operations Forum focuses on Swift and Securities questions; it takes place on 17 November 2006 in Zurich: www.sksf.ch