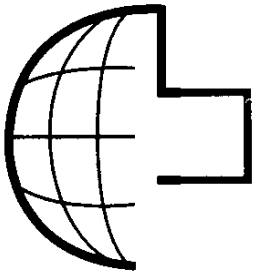


# NEWSLETTER FEB 2002



## Association of Foreign Banks in Switzerland

30<sup>TH</sup> ANNIVERSARY

### CONFERENCE ON PRIVATE BANKING IN SWITZERLAND AND GENERAL ASSEMBLY: 21 JUNE 2002, KONGRESSHAUS, ZURICH

Speakers invited are Daniel Zuberbühler, Director of the Secretariat, Swiss Federal Banking Commission, Bern; Tim Shephard-Walwyn, Chief Risk Officer, Barclays Bank Plc., London; Norbert Walter, Chief Economist, Deutsche Bank AG, Frankfurt / M.

The conference is open for non-members. The member banks are invited to attend also the General Assembly which will take place on the same occasion. For further information please contact [info@foreignbanks.ch](mailto:info@foreignbanks.ch).

## TOPICS OF INTEREST

### DATA OUTSOURCING

The Secretariat of the Swiss Federal Banking Commission and representatives of Swiss banks reviewed the Circular 99/2: Outsourcing and discussed pending questions. The reviewed version of the Circular is expected to be sent to the banks in Spring. For further questions contact [maurer@foreignbanks.ch](mailto:maurer@foreignbanks.ch).

### SCUDO FISCALE

Members of the Association of Foreign Banks met in Zurich in February to discuss the possible implications of the Italian tax amnesty. Several questions are expected to remain open until a legal and administrative practice is established in Italy. For the official circulars visit: [www.finanze.it](http://www.finanze.it) \ in copertina \ scudo fiscale; for further information contact: [wuergler@foreignbanks.ch](mailto:wuergler@foreignbanks.ch).

### DOUBLE TAXATION TREATY CH – D

The DTT includes an extended administrative aid in case of tax fraud (not tax evasion) akin to the DTT Switzerland – USA and a full withholding tax relief on dividends (for participations exceeding 20%) with due date on or after 1 January 2001. The new clause does not apply for dividends with due date before 31 December 2000 (non-refundable withholding tax of 5%). More information (in German) is available at [maurer@foreignbanks.ch](mailto:maurer@foreignbanks.ch) or [www.swissbanking.org](http://www.swissbanking.org).

### REVISION SFBC CIRCULAR 98/1: MONEY LAUNDERING

The working group agrees on the importance of the Circular, especially with regard to the management of reputational risk. It will include the necessity of due diligence procedures for Politically Exposed Persons (PEPs). The banks will be required to establish a client's profile adequate to the reputational risk associated with the respective client relation.

### REVISION KREDITWESENGESETZ

In order to protect consumers and to create equitable conditions for all competitors the German government proposed to introduce a compulsory authorization for all foreign service providers offering to German clients. The new law would have set Switzerland based banks on the level of those based in off-shore centres. After opposition by the German Association of Foreign Banks the proposed paragraph was abandoned. The latter now prepares a new proposal covering the following points:

- clear legal ruling
- consumer protection, especially with regard to internet offers
- protection of the German financial centre from dubious foreign actors.

For information: [wuergler@foreignbanks.ch](mailto:wuergler@foreignbanks.ch)

### BANKING SECRECY

The Wall Street Journal of 26 February 2002 mentioned that Switzerland would abandon its banking secrecy rules in the context of the "bond transfers". This is not true and was immediately disclaimed by the Swiss Bankers' Association.

### CRIMINAL PROCEDURAL LAW

The Swiss Bankers' Association commented on the draft revision of the unification of the Criminal Procedural Law. It supports a unified legal framework and suggests improvements on different specific issues. Information: [www.ofj.admin.ch](http://www.ofj.admin.ch) \ Activities & topics \ Judicial organization and Procedure.

### REVISION ACCOUNTING RULES

A soft revision of the accounting rules for banks will be completed in the coming months. The proposal will circulate for comments. The revision includes an adaptation to the "International Accounting Standards IAS" and to the "Swiss Accounting and Reporting Recommendations",

## ANNUAL REPORTS

We want to offer our members the best possible service. In order to do so we need regular and updated information on your bank. Therefore we kindly ask you to send us a copy of the latest edition of your bank's Annual Report to the address below. Please also include this address on your mailing list for any other information regarding your bank.

Association of Foreign Banks in Switzerland – Löwenstrasse 51 – 8023 Zurich

## HUMAN RESOURCES

### HUMAN RESOURCES LUNCHEON

The Zurich Human Resources group discussed the expatriates' right to recover his contributions to the Swiss pension scheme once he definitively left the country. It also tackled the employees' preparation to retirement – beyond technical questions of payment plans the mental preparation of the new lifespan must not be neglected.

For information contact [wuergler@foreignbanks.ch](mailto:wuergler@foreignbanks.ch).

### SALARY AND BENEFITS DECLARATION

The Swiss Federal Tax Administration submitted for comments the new form and rules for the salary declaration. The Swiss Bankers' Association constituted a working group preparing comments in which the Association of Foreign Banks also participated. The new rules are expected to enter into force on 1 January 2003. The text and the commentary are available at [wuergler@foreignbanks.ch](mailto:wuergler@foreignbanks.ch).

## INTERNAL MATTERS

### AGENDA

21 March 2002 – Info-Cocktail Geneva: "La place financière suisse et les nouvelles négociations bilatérales avec l'Union européenne", J. Russotto, Oppenheimer Wolff & Donnelly LLP Brussels (French) with the support of Amas Bank (Switzerland) Ltd.;

21 March 2002 – Presentation Zurich: "The Screener.com", A. Lusser (English / German);

26 March 2002 – Info-Lunch Zurich: "On Trusts", N. Dale, HSBC Guyerzeller Bank AG (German);

27 March 2002 – Info-Cocktail Zurich: "Where will the new bilateral negotiations between Switzerland and the EU lead?", J. Russotto, Oppenheimer Wolff & Donnelly LLP Brussels (English) with the support of Rabo Robeco Bank (Switzerland) Ltd.;

April 2002 – Presentation Geneva: "The Screener.com", A. Lusser (French);

18 April 2002 – Info-Lunch Geneva: "On Trusts", N. Dale, HSBC Guyerzeller Bank AG (English);

23 May 2002 – Seminaire Lugano: "Switzerland – EU" and "Revision of the due diligence procedures", M.A.M. Genoni, C.-A. Margelisch, organized jointly with the Centro di Studi Bancari (provisional);

21 June 2002 – General Assembly Zurich: 30<sup>th</sup> Anniversary (details will follow) cocktail offered by Dresdner Bank (Suisse) SA.

### MEMBER INSTITUTES

#### CHANGE OF COMPANY NAMES

Bank Bruxelles Lambert (Switzerland) Inc. in ING Bank Bruxelles Lambert (Switzerland) Inc. – Banque Unexim (Suisse) SA in Rosbank (Suisse) SA – GZ-Bank (Switzerland) Ltd. in Union Investment Privatbank Ltd. – IBZ Investment Bank in Sella Bank Ltd..

#### TERMINATION OF MEMBERSHIP

UEB United European Bank (taken over by BNP Paribas (Suisse) SA).

## LAST MINUTE INFORMATION

- ⇒ In its February Letter the European Banking Federation (FBE) analyses the EU enlargement, also from an economic point of view. The document is available on [www.fbe.be](http://www.fbe.be) \ Documents \ FBE Letter n° 8.
- ⇒ The European Parliament adopted a resolution optimizing financial market regulation within the EU by transferring the decisional power to the European Commission: [www.economiesuisse.ch](http://www.economiesuisse.ch) \ Bruxelles.
- ⇒ The Swiss Federal Banking Commission prepares a modification of the Swiss legislation on administrative aid to foreign supervisory authorities which it will present to the Swiss Federal Department of Finance soon: [www.ebk.admin.ch](http://www.ebk.admin.ch) \ What's new \ 23 January.
- ⇒ The implementation of the Switzerland-EU bilateral treaties will have implications on the move of employees and on the job market. The Swiss Federal Aliens Office informs on related questions on [www.etrangers.ch](http://www.etrangers.ch).

### CONTACT

General Secretary: Dr. Martin Maurer – Deputy: Raoul Würzler – Administration: Daniela Hess-Mühlbauer  
Mail: Association of Foreign Banks in Switzerland – Löwenstrasse 51 – P.O.Box – CH-8023 Zürich  
Telephone: +41 1 224 40 70 – Facsimile: +41 1 221 00 29 – E-mail: [info@foreignbanks.ch](mailto:info@foreignbanks.ch)

The Newsletter is published in regular intervals of two months, with exception of Summer and Winter when the interval is extended to three months. It is sent to its members by e-mail or mail and is also available on the internet [www.foreignbanks.ch](http://www.foreignbanks.ch).