

Topic Sheets are available in English. Whenever available, references to further information are also given in French, German and Italian.

Introduction

The bank customer confidentiality reflects the *individual client's entitlement to the protection of his private sphere*. This also implies the bank employees' duty to keep secret whatever information they have on their clients. The validity of the bank customer confidentiality is not limited to relations with the Federal Administration but applies to any third party. It also governs the relations between foreign banks in Switzerland and their head offices.

The protection of the private sphere is not absolute. The bank customer confidentiality does *not protect criminals*. Clearly established and legally sanctioned principles govern the practice applicable in the cases of criminal dealings, when the banks in Switzerland co-operate and give the information to domestic and foreign authorities.

The bank customer confidentiality refers to the concepts of "*in situ monitoring*" and "*exchange of information*". Switzerland repeatedly expressed its position: it will not participate in the exchange of information among national administrations and supervisory authorities as long as the protection of the clients' private sphere is not guaranteed. However, it maintains its interest in finding alternative models of international co-operation provided that they protect the clients' private sphere.

Information

Bank customer confidentiality is governed by Art. 47 of the Federal Act on Banks and Savings Banks (Bank Law, 952): [French](#); [German](#)

SWISS BANKERS' ASSOCIATION: [website](#)

FEDERAL DEPARTMENT OF FINANCE: [website](#)

FEDERAL DEPARTMENT OF FOREIGN AFFAIRS: [website](#)

FEDERAL DEPARTMENT OF FINANCE: [French](#); [German](#)

SWISS PARLIAMENT INFORMATION SERVICE: [French](#); [German](#); [Italian](#)

Administrative aid in stock exchange matters:

- The SWISS FEDERAL BANKING COMMISSION on the revision of relevant article of law (Art 38 SESTA): [French](#); [German](#); [Italian](#) and an article published in Bulletin 45/2003, p.15: [text](#) (German)
- The FEDERAL DEPARTMENT OF FINANCE: [French](#); [German](#); [Italian](#); summary: [English](#); [French](#); [German](#)

EUROPEAN BANKING FEDERATION: Report on bank customer confidentiality: www.fbe.be/docs_legal.html \ Banking Secrecy

Qualified Intermediary Agreement

Switzerland was attributed the status of a Qualified Intermediary country by the USA. Assets held in Switzerland by US taxpayers, so called «US persons», may thus be taxed accordingly to the US rulings without violating the banking secrecy rules. For in-depth information on the topic please refer to the Topic Sheet "Taxes": [document](#)

EU Taxation of Savings

In order to ensure effective taxation of interest revenues proceeding from assets EU-citizens may hold abroad, the EU countries agreed on the establishment of a system of exchange of information. This system extends to important third country financial centres, such as Switzerland. Some EU countries as well as Switzerland were opposed

as it would have abolished the effective rules for the protection of the bank customers private sphere. An agreement was met between the EU and Switzerland which provides for the levying of a tax on interest revenues to be transferred to the respective EU country. Detailed information on the taxation of savings are available in the Topic Sheet "Taxes": [document](#)