



Media release

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Embargo

SFBC to strengthen shareholding disclosure rules

Swiss federal banking commission (SFBC) to enforce as of 1st July 2007 first amendments of urgent partial revision of the provisions of SFBC-ordinance on stock exchanges regarding obligation to disclose shareholdings in listed companies.

1st June 2007 – The project sent out for consultation in April 2007 for the partial revision of the SFBC-ordinance on stock exchanges (SESTO-SFBC) comes partly into force on 1st July 2007. The amendments coming into force as of 1st July 2007 specially concern:

- the introduction of the obligation to notify exchange, purchase and sale rights whether executable in kind or not (amendment of art. 13 §1), and
- the suppression of the privilege regarding exchange, purchase and sale rights for volumes under 5% voting rights (suppression of art. 13 §3).

As a result, cash-settlement options must from now on be disclosed. Furthermore, securities and options will have to be added with no exceptions in order to calculate the threshold to be disclosed.

The SFBC has also amended the way to calculate the stock exchange price of securities when fixing the offer price for mandatory tender offers and has detailed the duties of the auditor.

The rest of the project under revision and the amendments suggested during the consultation procedure need further examination and consultation. The enforcement of the further amendments of the partial revision will be coordinated with that of the “Federal Act regarding urgent amendments of the obligation to notify set out in the Stock Exchange Act”.

Moreover, the SFBC recommends the examination and introduction of efficient means that are more incisive than those debated by the Parliament, in order to ensure the correct application of the obligations to disclose set out in the Stock Exchange Act. The suggestions of the SFBC tend to strengthen the competences of the supervising authority and include the use of investigators for investors out of the supervised financial sec-



Eidgenössische Bankenkommission
Commission fédérale des banques
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Swiss Federal Banking Commission

tor, the suspension of voting rights no longer as a measure ordered by a civil tribunal but as a market supervision measure to guarantee the application of the Stock Exchange Act, the confiscation of illegal profits, the prohibition to purchase securities of the concerned issuer or a publicly quoted or traded company in Switzerland, or finally the obligation, for the person who breached his obligation to disclose, to sell the securities owned until the last notified threshold is reached.

The SFBC emphasizes that way, its intention to ensure, with efficient means, the application of provisions regarding the obligation to notify and to promote the credibility of the Swiss financial market.