

Press release

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FINMA provides information about the basis for writing down AT1 capital instruments

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The Swiss Financial Market Supervisory Authority FINMA hereby explains the basis for the complete write-down of the nominal value of AT1 capital instruments issued by Credit Suisse. For this, FINMA relies on the issuance prospectuses for the bonds and the Federal Council's Emergency Ordinance.

Due to numerous enquiries about Credit Suisse's capital instruments, so-called AT1 bonds, FINMA is providing information about the basis for writing down these instruments. FINMA has instructed Credit Suisse to completely write down its AT1 instruments and to inform the bondholders concerned without delay. Tier 2 bonds are not written down. Questions regarding individual bonds should be addressed to the issuers of the capital instruments.

Contractual basis

The AT1 instruments issued by Credit Suisse contractually provide that they will be completely written down in a "Viability Event", in particular if extraordinary government support is granted. As Credit Suisse was granted extraordinary liquidity assistance loans secured by a federal default guarantee on 19 March 2023, these contractual conditions were met for the AT1 instruments issued by the bank.

Federal Council's Emergency Ordinance

On 19 March 2023, the Federal Council enacted the [Emergency Ordinance](#) on Additional Liquidity Assistance Loans and the Granting of Federal Default Guarantees for Liquidity Assistance Loans by the Swiss National Bank to Systemically Important Banks. The Ordinance also authorises FINMA to order the borrower and the financial group to write down Additional Tier 1 capital.

Based on the contractual agreements and the Emergency Ordinance, FINMA instructed Credit Suisse to write down the AT1 bonds.

FINMA CEO Urban Angehrn: *"On Sunday, a solution could be found to protect clients, the financial centre and the markets. In this context, it is important that CS's banking business continues to function smoothly and without interruption. That is now the case."*

Instruments for institutional investors

AT1 instruments in Switzerland are designed in such a way that they are written down or converted into Common Equity Tier 1 capital before the equity capital of the bank concerned is completely used up or written down. The instruments publicly issued by large banks are mainly held by institutional investors due to their risk profile and large denominations.

Affected publicly issued instruments

The following is a list of all affected publicly issued Additional Tier 1 capital (AT1) instruments:

ISIN	Date of issue	Currency	Name
US22546DAB29 (144A) / XS0989394589 (Reg S)	11.12.2013	USD	7.500% Tier 1 Capital Notes
US225436AA21 (144A) / XS1076957700 (Reg S)	18.12.2014	USD	6.250% Tier 1 Capital Notes
CH0360172719	22.03.2017	CHF	3.875% Perpetual Tier 1 Contingent Write-down Capital Notes
US225401AJ72 (144A) / USH3698DBW32 (Reg S)	16.07.2018	USD	7.500% Perpetual Tier 1 Contingent Write-Down Capital Notes
CH0428194226	04.09.2018	CHF	3.500% Perpetual Tier 1 Contingent Write-down Capital Notes
US225401AK46 (144A) / USH3698DBZ62 (Reg S)	12.09.2018	USD	7.250% Perpetual Tier 1 Contingent Write-down Capital Notes
CH0482172324	06.06.2019	SGD	5.625% Perpetual Tier 1 Contingent Write-down Capital Notes
US225401AL29 (144A) / USH3698DCP71 (Reg S)	21.08.2019	USD	6.375% Perpetual Tier 1 Contingent Write-down Capital Notes
CH0494734384	11.09.2019	CHF	3.000% Perpetual Tier 1 Contingent Write-down Capital Notes
US225401AN84 (144A) / USH3698DCV40 (Reg S)	24.01.2020	USD	5.100% Perpetual Tier 1 Contingent Write-down Capital Notes
US225401AR98 (144A) / USH3698DDA93 (Reg S)	11.08.2020	USD	5.250% Perpetual Tier 1 Contingent Write-down Capital Notes
US225401AS71 (144A) / USH3698DDD33 (Reg S)	09.12.2020	USD	4.500% Perpetual Tier 1 Contingent Write-down Capital Notes
US225401AX66 / USH3698DDQ46	23.06.2022	USD	9.750% Perpetual Tier 1 Contingent Write-down Capital Notes