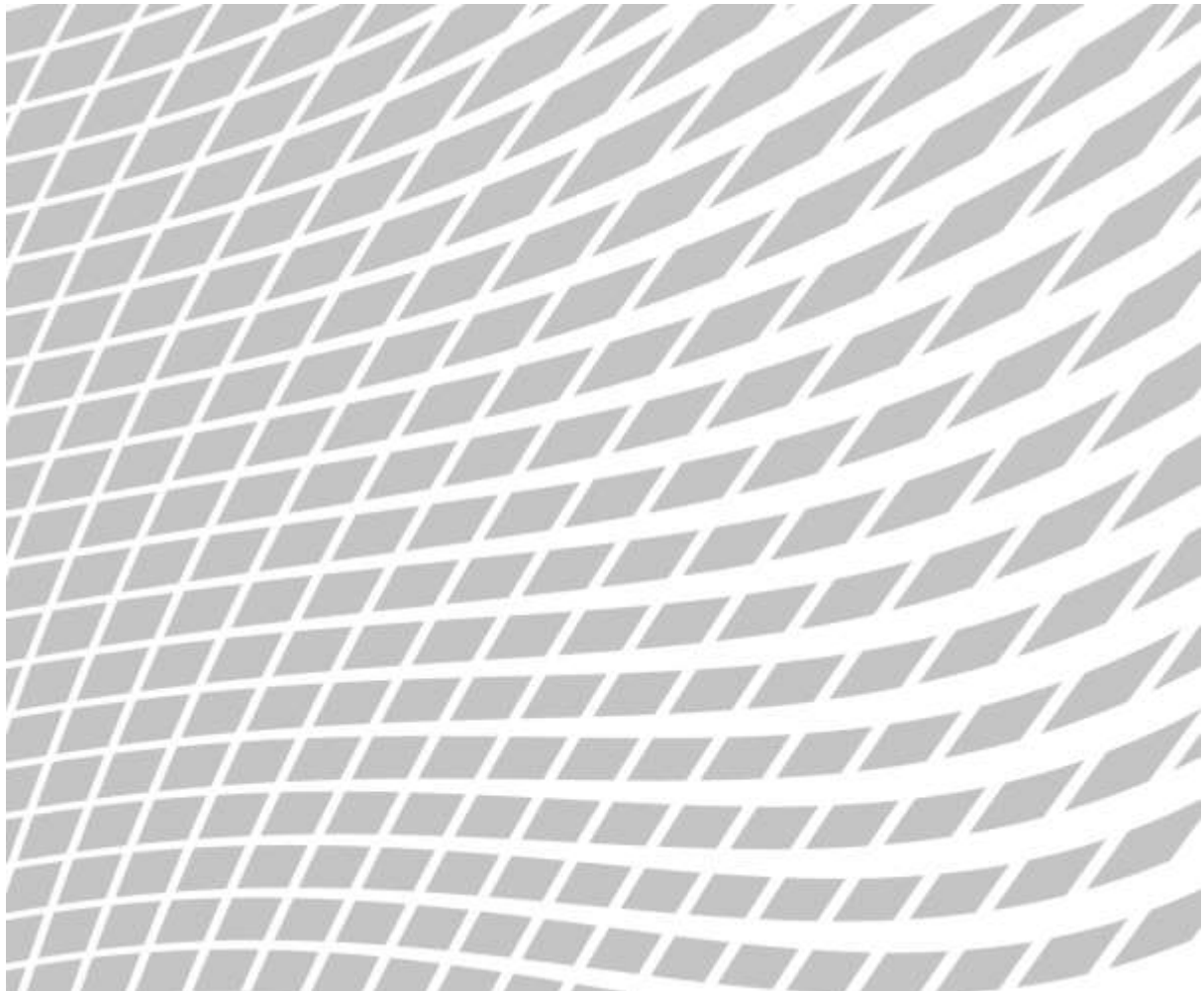


20 August 2015

FINMA Financial Market Infrastructure Ordinance

Key points



The Financial Market Infrastructure Act (FMIA) delegates regulatory powers directly to FINMA to define reporting requirements for securities trading and for disclosure and takeover issues. While some adjustments have therefore been made to the current regulations set out in SESTO-FINMA, FINMA has also defined the criteria according to which derivatives are subject to a clearing duty.

1. **Securities trading reporting requirements:** Reporting requirements under stock-exchange law for securities dealers trading securities listed on a Swiss exchange have been regulated for trading venue participants in the FMIA. Under the FMIA, the term “trading venues” now includes exchanges, as well as multilateral trading facilities. While the draft FMIO drawn up by the Federal Council extends current securities reporting requirements to trading in financial instruments, it also sets out reporting requirements applicable to financial instruments with underlying securities listed at a Swiss trading venue. Moreover, the reporting requirements set out in the FINMA Stock Exchange Ordinance (SESTO-FINMA) have been adjusted and incorporated into the new FMIO and FMIO-FINMA ordinances. While the FMIO sets out the rules on any exceptions to the reporting requirements, the remaining, marginally adjusted provisions of the SESTO-FINMA have been integrated into the FMIO-FINMA.
2. **Derivatives trading:** This area is now regulated by the FMIA. It is FINMA’s task to define which derivatives not traded at a trading venue (OTC derivatives) that must be cleared via a central counterparty. This clearing duty is generally specified in the authorisation or recognition FINMA grants to Swiss or foreign central counterparties. In line with recognised international standards, FINMA has defined the criteria according to which derivatives are subject to a clearing duty.
3. **Disclosure and takeover law:** The laws governing disclosure and takeovers have largely been adjusted. The lengthy provisions set out in the FINMA Stock Exchange Ordinance (SESTO-FINMA) have been tightened and the term “derivative holdings” has been simplified.