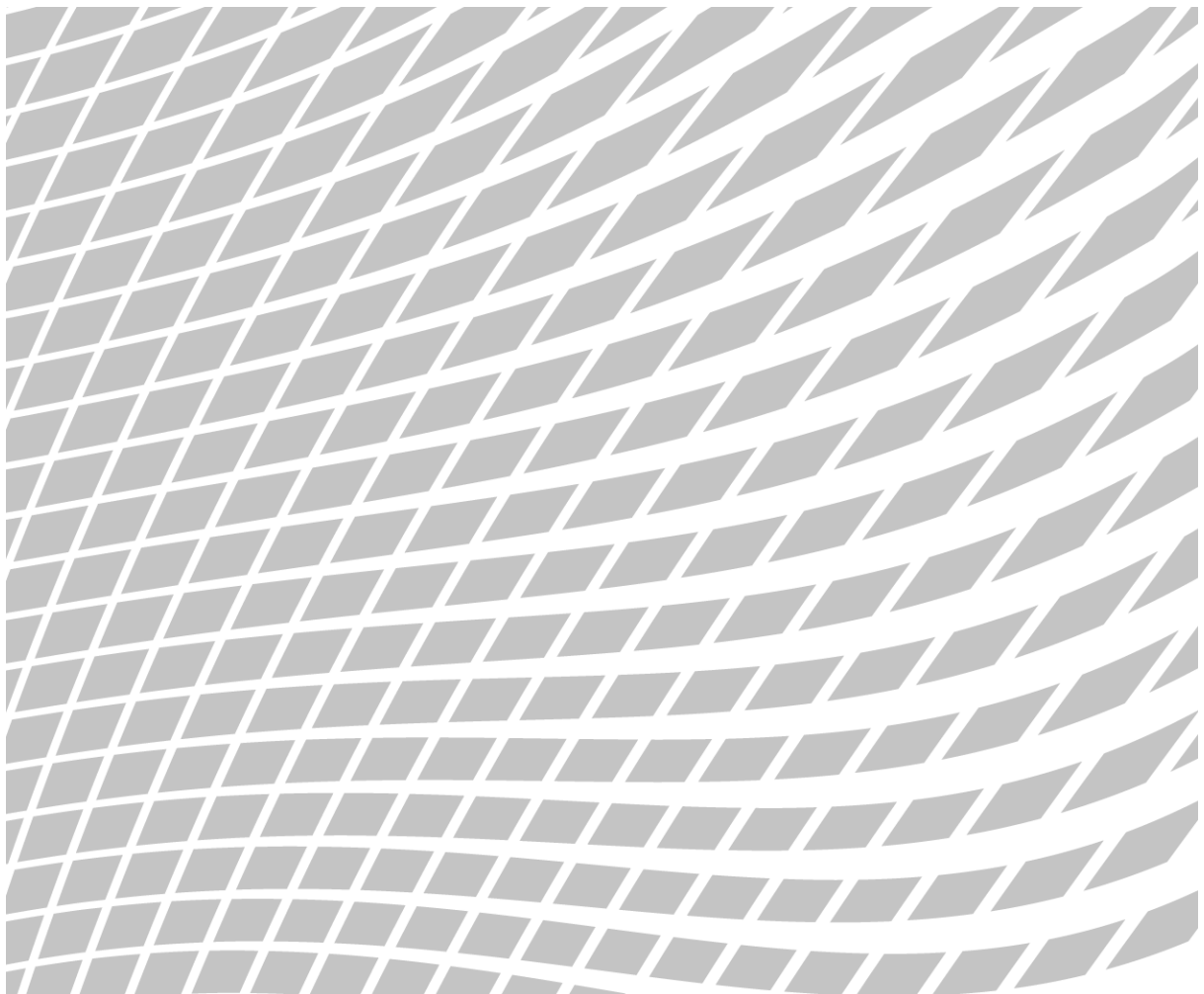


20 June 2013

New FINMA circular on limiting intra-group positions - banks

Key points



Key points

1. The purpose of the circular is to reduce the degree of financial and operational dependency within a group. It is aimed at Swiss entities of international financial groups not subject to consolidated supervision by FINMA.
2. The thematic focus is on limiting intra-group debts and contingent liabilities in terms of both quantitative and qualitative criteria under supervisory law. The complexity of the group's structure, the solvency of the other group companies and the scope for supervising the group in an adequate and transparent manner, for example, all play a part. In addition, the intention is to protect Swiss entities from the threat of financial and operational overloading that would arise in the event of the group breaking apart.
3. This circular will improve the transparency of FINMA's existing supervisory practices in this area and make clear its interests under supervisory law regarding the supervision of Swiss single entities and sub-groups. A reporting template will also be provided that will allow FINMA to collect more precise information on interlinkages within the group in individual cases.