



Checklist for the application of an authorization for foreign stock exchanges (or for organizations similar to foreign stock exchanges) according to the Federal Act on Stock Exchanges and Securities Trading (SESTA)

from March 1997

According to the SESTA and its ordinances, in particular in light of Art. 14 of the Ordinance on Stock Exchanges and Securities Trading (SESTO), stock exchanges organized under foreign law must seek authorization before providing securities dealers in Switzerland with access (even partially) to their facilities. The Secretariat of the Swiss Federal Banking Commission shall verify if the conditions set out in Art. 14 par. 2 let. b. SESTO are complied with.

The following checklist is meant as a guidance for the convenience of the applicants only; it aims at facilitating the way of presenting the application as well as the processing of same by the Secretariat of the Swiss Federal Banking Commission. It clarifies the particulars and documents the applicant usually must submit. The checklist does not exclude the possibility that the applicant might submit additional information or that the Secretariat might require further details and documents.

The application is to be submitted in one of Switzerland's official languages (French, German, Italian). With the prior agreement of the Secretariat of the Swiss Federal Banking Commission, enclosures may as an exception be submitted in English. The application must include at least the following information and documents:

1. General particulars

- 1.1 The stock exchange's history, field of activity and territory, the forecasted or considered developments if available, and any useful details other than the submitted ones if they give the Secretariat of the Swiss Federal Banking Commission a clear insight about the applicant's way of operating, its organisation and its position on the domestic or international market
- 1.2 Indication of the applicant's head office and of any other relevant particular (address, telephone and fax numbers, particulars of the responsible person to contact, details of a Web site if available, etc.)
- 1.3 Description of the type of markets the applicant provides the investors with, description, if applicable, of the markets' specifications and / or of the interaction between themselves or with other existing markets / stock exchanges
- 1.4 Information about the applicant's associates or shareholders with indication of the percentage of the applicant's foreign ownership



- 1.5 Indication of the particulars of any foreign supervisory authority in charge of supervising the applicant according to the legislation of the considered country as well as of the tasks and competences of such authorities in terms of the applicant's supervision

2. Internal organisation of the foreign stock exchange (or of the organisation similar to a foreign stock exchange)

- 2.1 Submission of the by-laws and of the main rules and regulations, in particular those ruling the market and the organisation as well as the rules and regulations concerning the markets' supervision, the members' admission and the admission of securities
- 2.2 Indication of the applicant's possible means of intervention if one of its members, which is domiciled or established abroad (transnational activity) violates its obligations or commits other irregularities, such information must either specify the references in the rules and regulations or the latter must be enclosed if they are not yet among the submitted documents

3. Condition of admission

The Secretariat of the Swiss Federal Banking Commission draws the applicants' attention to Art. 37 SESTA, which provides that authorization may be refused if the country in which the applicant is located does not afford Swiss stock exchanges genuine access to its markets and does not offer them the same competitive opportunities as it does to the local stock exchanges.

4. Various documents

- 4.1 Attestation that the applicant is duly registered with the competent foreign supervisory authorities (see under 1.5)
- 4.2 Applicant's organigram and information about the composition of its bodies
- 4.3 List of members (including those domiciled or established abroad) who have access to the applicant's markets and indication of the foreign authorities who are competent to supervise the members domiciled or established abroad



Eidgenössische Bankenkommission
Commission fédérale des banques
Commissione federale delle banche
Swiss Federal Banking Commission

4.4 The latest annual report and last auditors' report