

Press release

Date: 7 February 2013

Embargo: ---

Guidelines on asset management to be revised

The Swiss Financial Market Supervisory Authority FINMA is adjusting FINMA Circular 09/1 “Guidelines on asset management” and is opening a consultation in this regard. The revision foreseen will take the most recent decisions of the Federal Supreme Court on individual portfolio management into consideration as well as the amendments to the Collective Investment Schemes Act. The revised circular sets out in concrete terms the duties of asset managers. The consultation closes on 3 April 2013.

In its current circular (FINMA-Circ. 2009/1), FINMA has defined guidelines which serve as a benchmark against which FINMA recognises as a minimum standard the rules of conduct of an organisation active in the asset management industry. The adjustments to the circular aim at achieving a high level of transparency with respect to asset managers and clients.

Since the circular came into force on 1 January 2009, the Federal Supreme Court has issued a number of decisions on individual portfolio management in which it has specified requirements under civil law on asset managers. In its revision of the circular, FINMA is now taking account of these specifications by prescribing that asset managers who want to comply with the circular must be transparent when providing information relating to the changes in requirements. This mainly concerns the duty of investigation (client’s risk profile), information requirements (risk disclosure), due diligence obligations (updating the client’s risk profile) and disclosure duty for retrocessions.

Some formal adjustments to the circular result from the revision of the Federal Act on Collective Investment Schemes (CISA), which is scheduled to come into force on 1 March 2013.

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