

Press release

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FINMA modifies reporting requirement for parties with the power to exercise voting rights

Contact:
Vinzenc Mathys
Media Spokesperson
Phone +41 (0)31 327 91 71
vinzenc.mathys@finma.ch

The Swiss Financial Market Supervisory Authority FINMA has modified reporting requirements for the discretionary power to exercise the voting rights set out in the FINMA Financial Market Infrastructure Ordinance. In the case of delegated voting rights, the person who decides how voting rights are exercised is now the person subject to the reporting requirement. Alternatively, the reporting requirement can be met on a consolidated basis by a controlling person for the units controlled by them.

Market participants affected by the reporting requirement drew FINMA's attention to practical problems in implementing the current reporting requirements. As a consequence, FINMA proposed to amend the FINMA Ordinance on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading. In the case of delegated voting rights, the person who decides how voting rights are exercised is now the person subject to the reporting requirement. FINMA conducted a [consultation](#) on the proposed changes. The revised provisions will enter into force on 1 March 2017.

The respondents welcomed the FINMA consultation and amendment. However, it became clear from their submissions that additional changes were required to deal with the direct and indirect control situations which occur, for example, in company groups. The FINMA ordinance therefore notes, as an addition to the consultation draft, that in situations in which an entity who has discretionary power to exercise the voting rights is directly or indirectly controlled, the reporting requirement can also be met by the controlling person on a consolidated basis. The new provisions stipulate a transitional period of six months starting from when the provisions enter into force.