

SIX Swiss Exchange Ltd  
SIX Exchange Regulation  
Selnaustrasse 30  
CH-8001 Zurich

Mailing address:  
P.O. Box 1758  
CH-8021 Zurich

[www.six-exchange-regulation.com](http://www.six-exchange-regulation.com)

Contact person:  
Matthias Portmann  
T +41 58 399 2916

[vernehmlaessung@six-group.com](mailto:vernehmlaessung@six-group.com)

Zurich, 9 October 2014

### Consultation on a new regulatory standard concept

Dear Sir/Madam

The current regulatory standard concept was introduced in 2009 as part of the full revision of the Listing Rules. SIX Exchange Regulation has since witnessed an increasing tendency on the part of listed companies that have until today drawn up their annual financial statements in accordance with IFRS or US GAAP to consider switching, or to have already switched, to Swiss GAAP FER. Under the current Listing Rules, a switch to Swiss GAAP FER involves a reallocation to the Domestic Standard as only companies reporting in accordance with IFRS and US GAAP are admitted to the Main Standard.

The terms *Main Standard* and *Domestic Standard* replaced the terms *Main Segment* and *SWX Local Caps Segment* that had applied until 2009. With its less stringent listing requirements, the Domestic Standard was originally aimed at companies of local significance or those held by a limited group of investors such as family-run companies, or young and small-sized issuers.

The growing trend towards the switch to Swiss GAAP FER is resulting in companies other than those the Domestic Standard was originally intended for being reallocated. The current regulatory distinction made between the Main and Domestic Standard is consequently no longer in keeping with the actual circumstances in all cases. SIX Exchange Regulation thus considers it advisable to develop a new regulatory standard concept.

The aim of the new concept is the streamlining of the current structure, the clear positioning of Swiss GAAP FER as one of the relevant, recognized accounting standards on SIX Swiss Exchange and the amendment of the admission criteria to meet the requirements of today's market. The structure of the regulatory standards is now to be based on a *Standard for Equity Securities* and a *Standard for Debt Securities*. The Standard for Equity Securities will be broken down further into a Sub-Standard for *International Reporting* and a Sub-Standard for *National Reporting* with the aim of continuing to address the application of different reporting standards. The sub-standards will be complemented by further sub-standards for investment companies, real estate companies, depository receipts and collective investment schemes.

SIX Exchange Regulation also suggests harmonizing the listing requirements for the Sub-Standards *International Reporting* and *National Reporting*. The track record (duration of existence) will total three years for both sub-standards in the wake of this harmonization. In the interests of standardization, the free float threshold will be set at 20% instead of 25% aligning it to the SPI threshold. The capital base has been set at CHF 2.5 million (as in the case of the current Domestic Standard) in line with other stock

exchanges. Exceptions to these listing requirements will continue to be possible upon application of Art. 7 of the Listing Rules or Directive Track Record (DTR).

The planned changes will affect companies that are currently allocated to the Main or Domestic Standard by dividing them between either the Sub-Standard International Reporting or National Reporting, depending on the accounting standards they apply. In addition, the adjustment of the listing requirements will result in the introduction of other requirements for future IPO candidates.

The new concept has no implications for debt securities, as they will continue to be subject to the current listing requirements under the new name. The term *Main Standard* will, however, be discontinued and be replaced by the concept of a single standard for debt securities and by sub-standards for individual product categories such as bonds, derivatives and exchange traded products.

The new regulatory standard concept will result in a mainly formal adjustment to the Listing Rules. Furthermore, the following rules will be amended: Additional Rules Bond, Prospectus Schemes, Directive Track Record (DTR), Directive Procedures Equity Securities, (DPES), Directive on Financial Reporting (DFR) and possibly Directive Complex Financial History (DCFH). These adjustments are planned to take place after the consultation and its evaluation.

This consultation is being made on a conceptual basis and is not based on any existing wordings. For this reason, we enclose with this letter the presentation "New regulatory standard concept", which illustrates the changes in the concept basis outlined above.

We hereby invite you to examine the planned new regulatory standards and kindly ask you to return your suggestions, feedback and comments to us by **Thursday, 20 November 2014**. We would already like to give you our warmest thanks in advance for your cooperation.

SIX Exchange Regulation aims to publish the responses to the consultation on its website ([http://www.six-exchange-regulation.com/regulation/news\\_de.html](http://www.six-exchange-regulation.com/regulation/news_de.html)). Please let us know in writing if you would rather not have your feedback made public.

Thank you for your support.

Yours sincerely

SIX Swiss Exchange Ltd



Therese Grunder  
Co-Head Listing  
SIX Exchange Regulation



Dr. Matthias Portmann  
Legal Counsel  
SIX Exchange Regulation

Encl: Presentation "New regulatory standard concept"