

REGULATORY BOARD COMMUNIQUÉ NO. 2/2013 OF 11 MARCH 2013

Amendment to Art. 2 (2) of the Directive on Disclosure of Management Transactions (DMT)

Entry into force: 1 April 2013

Resolution of the Issuers Committee of 27 November 2012

I. BACKGROUND

The version of Art. 2 (2) of the Directive on Disclosure of Management Transactions (DMT) currently in effect states that the issuer is responsible for holding the persons subject to reporting obligations to those obligations, and, as the case may be, for taking action against them.

In its decision of 10 July 2012 (SaKo-MT I/12), the Sanction Commission of SIX Swiss Exchange (the "Sanction Commission") interpreted the obligation laid down in Art. 2 (2) DMT to mean that an issuer need take action against a person who has failed to fulfil the reporting obligations to which they are subject only if the same person has repeatedly breached those obligations. The effect of this legal opinion is that, for each person who is subject to a reporting obligation, the first breach of the obligations laid down in Art. 56 LR would not have any further consequences, even if many such breaches were to be committed within a short period of time. In the view of the Issuers Committee, this interpretation does not correspond to the intended content of the provision when it was issued.

II. AMENDMENT TO ART. 2 (2) DMT

The Issuers Committee has therefore decided to word Art. 2 (2) DMT more clearly so that it more accurately reflects the content intended by the regulatory body. This is that issuers must essentially punish each and every breach on the part of a person who is subject to reporting obligations. Issuers may continue to exercise their discretion in determining what measures against the person who has committed the breach are appropriate in any given case.

Art. 2 (2) DMT (old)

The issuer is responsible for holding the persons subject to reporting obligations to their reporting obligation and, as the case may be, for taking appropriate action against them.

Art. 2 (2) DMT (new)

The issuer is responsible for holding persons subject to reporting obligations to their reporting obligation and for taking action against them should they fail to fulfil their obligations.

Given that the above does not constitute a material change to the existing rules, but rather a clarification of the original intention of the provision, the Issuers Committee has decided to forego consultations on this point.

III. ENTRY INTO FORCE

The amended Art. 2 (2) DMT enters into force on 1 April 2013.

The new wording of the article is available in English, French and German at:

http://www.six-exchange-regulation.com/obligations/management_transactions_en.html

Regulatory Board Communiqués are published in English, German and French on the internet at:

http://www.six-exchange-regulation.com/publications/communiques/regulatory_board_en.html

http://www.six-exchange-regulation.com/publications/communiques/regulatory_board_de.html

http://www.six-exchange-regulation.com/publications/communiques/regulatory_board_fr.html