

REGULATORY BOARD COMMUNIQUÉ NO. 6/2014 OF 3 NOVEMBER 2014

Entry into force of the Directive on Regular Reporting Obligations for Issuers of Equity Securities, Bonds, Conversion Rights, Derivatives and Collective Investment Schemes (Directive Regular Reporting Obligations, DRRO).

Entry into force of the revised Directive on the Listing of Foreign Companies (Directive Foreign Companies, DFC) and the revised Directive on Using the Electronic Reporting Platform for Reporting Obligations According to Circular No. 1, Annex 1 (Directive Reporting Platform Circular No. 1, DRPC)

I. BACKGROUND

The legal foundations for regular reporting obligations are laid down in both, the Listing Rules (LR) and various Directives. The current Circular No. 1 – Reporting Obligations Regarding the Maintenance of Listing (Circular No. 1) lists the individual regular reporting obligations for different types of securities.

II. NEW AND REVISED DIRECTIVES

On 14 March 2014, the Issuers Committee (IC) approved the draft of a new Directive on Regular Reporting Obligations for Issuers of Equity Securities, Bonds, Conversion Rights, Derivatives and Collective Investment Schemes (Directive Regular Reporting Obligations (DRRO)). This Directive replaces the current Circular No. 1. Since it contains very few material changes compared with the Circular (see point III below), it was passed without formal consultation proceedings. Transposing Circular No. 1 into a Directive effectively "upgrades" regular reporting obligations from a legal perspective. The way in which these obligations are to be fulfilled remains essentially the same.

The IC also approved partial revisions to the Directive on the Listing of Foreign Companies (Directive Foreign Companies (DFC)). The relevant changes concern foreign issuers of secondary-listed securities, and have also been made primarily to bring the DFC into line with the new DRRO. In addition, the Directive on Using the Electronic Reporting Platform for Reporting Obligations According to Circular No. 1, Annex 1 has been renamed, and is now known as the Directive on the Use of the Electronic Reporting Platform to Fulfil Reporting Obligations Under Art. 9 of the Directive on Regular Reporting Obligations (Directive Reporting Platform DRRO (DRPRO)). The DRRO also necessitated a number of minor amendments to the DRPRO.

The DRRO lists the individual regular reporting obligations in separate sections for the different types of securities (Arts. 9 et seqq. Directive Regular Reporting Obligations). These detailed obligations are explained in six Annexes to the DRRO. For the first time, the regular reporting obligations for foreign issuers of secondary-listed equity securities are set out in their own Annex (Directive Regular Reporting Obligations (DRRO), Annex 6). The DRRO does not contain any provisions on exchange traded products, however. The relevant reporting

obligations are laid down, as previously, in the Additional Rules for the Listing of Exchange Traded Products.

For conceptual reasons, the practical explanations of the individual regular reporting obligations which previously appeared in certain Annexes to Circular No. 1 cannot be transferred to the DRRO. There are plans to publish a brief commentary on the new DRRO in the course of 2015.

III. THE MOST IMPORTANT MATERIAL CHANGES

As a result of the revision of the Stock Exchange Act in 2013, foreign issuers of equity securities with their primary or main listing on the Exchange are no longer required to report their free float. This reporting obligation has been rescinded. Instead, the DRRO provides that these issuers must transmit details of their current equity capital to SIX Exchange Regulation (SER). The relevant rules on the listing of equity securities remain applicable in their existing form. The same applies to the reporting of capital reductions.

In the future, collective investment schemes will no longer be required to submit financial reports. In addition, the new Directive does not contain any obligation to report the liquidation of a collective investment scheme. In the future, such liquidations will be governed by the new Directive on the Delisting of Domestic and Foreign Collective Investment Schemes (Directive Delisting Collective Investment Schemes (DDCIS)), which enters into force on 1 November 2014. Furthermore, changes to the currency of the underlying of exchange traded funds will now have to be reported to SER.

As mentioned above, amendments have been made to the DFC in connection with secondary listing. Certain points have been clarified, such as for example those concerning potentially price-sensitive facts. In addition, issuers of secondary-listed equity securities will now have to notify SER of changes to their capital structure, as well as of any restructuring. The new reporting obligation in the DRRO replaces the old provision of the DFC, under which an application had to be made for a capital increase exceeding 20% of outstanding capital, or the listing of an additional category of equity securities.

The few changes that have been made to the DRPRO are not material in nature.

IV. ENTRY INTO FORCE

The DRRO, the revised DFC and the revised DRPRO, enter into force on 1 December 2014. Circular No. 1 will cease to be effective from this point onwards.

The DRRO, and the changes to the DFC and DRPRO are available immediately on the internet in English, German and French at:

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

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

http://www.six-exchange-regulation.com/regulation/directives/listing_requirements_fr.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

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