

# Regulatory Board Communiqué No. 3/2019

of 9 May 2019

## ***New Rules of Arbitration and Adjustment to the Procedural Provisions***

### **I Background**

In the event suspicion arises of a possible violation of the applicable regulations, SIX Exchange Regulation AG, within the scope of its tasks assigned by the legislator, carries out investigations and sanction proceedings. Judicial bodies in the field of self-regulation under stock exchange law are the Sanctions Commission, the Appeals Board and the Court of Arbitration.

Until now, arbitration proceedings had not been regulated in a separate set of rules of arbitration. For this reason, SIX Exchange Regulation AG opened on behalf of the Regulatory Board a hearing on 5 June 2018 regarding the introduction of the [Rules of Arbitration](#). The reaction of those who participated in the consultations was consistently positive. The Swiss Financial Market Supervisory Authority FINMA subsequently approved the slightly revised proposal. Following this regulation project, various provisions in other decrees have been revised.

### **II Rules of Arbitration**

The arbitration complaint serves as an appeal against decisions of the Sanction Commission and the Appeals Board. Arbitration proceedings are generally designed as two-party proceedings. In contrast to classical arbitration proceedings under private law, the proceedings in the field of self-regulation under stock exchange law also serve the interests of third parties. In particular, fair and transparent trading should be guaranteed and market participants should be protected. The new rules take account of this fact to the extent that, inter alia, a neutral body known as the *Swiss Chambers' Arbitration Institution* (SCAI) appoints the chairman of the Court of Arbitration or the sole arbitrator and has other powers.

### **III Revision of other Procedural Provisions**

The partial revision of the [Rules of Procedure](#) and other regulations is directly related to the introduction of the Rules of Arbitration. Furthermore, the opportunity was taken to eliminate inconsistencies and ambiguities in the applicable regulations.

The following decrees have been revised:

- Rules of Procedure;
- Rules for the Appeals Board of the trading venues of SIX;
- SIX Group Ltd Rules of Organisation for the Regulatory Bodies of the Group's trading venues;
- Listing Rules;
- Rules for the Admission of Investment Funds to Trading in the SIX Swiss Exchange-Sponsored Investment Funds Segment;

- Rules for the Admission of Equity Securities to Trading in the SIX Swiss Exchange-Sponsored Foreign Shares Segment;
- Trading Rules SIX Swiss Exchange Ltd;
- Rules for the Admission of Participants and the Use of Exchange trading platform by SIX Repo AG;
- Directive on Financial Reporting.

## **IV Declaration of Consent**

Due to the transfer of the "SIX Exchange Regulation" division from SIX Swiss Exchange Ltd to SIX Exchange Regulation AG (see Regulatory Board Communiqué No. 3/2018 dated 16 April 2018) as well as the entry into force of the new Arbitration Rules and the related adjustment of the previous arbitration clause, new declarations of consent have been prepared which must be signed by issuers, recognised representatives, participants, traders and reporting agents etc. over the next few weeks.

## **V Entry into force**

The new provisions enter into force on 1 July 2019.

[Regulatory Board Communiqués](#) are published in English, German and French on the internet.