

# Debt capital markets in Switzerland: regulatory overview

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## LEGISLATIVE RESTRICTIONS ON SELLING DEBT SECURITIES

### 1. What are the main restrictions on offering and selling debt securities in your jurisdiction?

#### Main restrictions on offering and selling debt securities

As Switzerland is not a member of the EU or EEA, Directive 2003/71/EC on the prospectus to be published when securities are offered to the public or admitted to trading (Prospectus Directive) and other EU or EEA capital markets regulations do not apply to offerings of debt securities in Switzerland.

With respect to the Swiss regulatory framework for offerings of debt securities the following three types of offerings must be distinguished:

- Listed public offerings.
- Unlisted public offerings.
- Private placements.

The applicable regulatory requirements depend on the type of offering. As such, selling restrictions must be included and tailored for the relevant offering and marketing activities. See *Questions 13 and 15* for further information on the respective prospectus duties and content requirements for each of the three types of offerings.

However, the most important obligation applicable to offerings of debt securities in Switzerland is the duty, stipulated by the Swiss Code of Obligations, to publish an offering prospectus in the case of "public" offerings. The Code of Obligations does not explicitly define the term "public" nor does Swiss case law provide clear guidance. Since the scope of the prospectus duty pursuant to the Code of Obligations remains unclear, it is advisable to implement tailor-made selling restrictions in the offering prospectus.

Apart from the prospectus requirements in connection with public offerings, no further statutory Swiss selling restrictions for offerings of debt securities currently exist. In particular, there are no approval or registration requirements vis-à-vis the Swiss Financial Market Supervisory Authority (FINMA) or any other supervisory authority as yet. However, the listing of debt securities on a Swiss stock exchange, notably on SIX Swiss Exchange (SIX) (see *Question 5*), is subject to detailed listing rules, including listing prospectus content requirements (see *Question 7*).

This privileged treatment of offerings of debt securities may be further restricted in the future (see *below, Outlook*).

#### Restrictions for offers to the public or professional investors

In relation to public offerings, see above, *Main restrictions on offering and selling debt securities*.

Further guidance on the current rules for cross-border offerings by foreign issuers into (but without listing in) Switzerland (and in particular, the terms "public" or "professional investors") is

available in the position paper by Credit Suisse, UBS and Zürcher Kantonalbank together with Niederer Kraft & Frey Ltd and other major Swiss law firms on the following website: [www.cplaw.ch/wpcontent/uploads/2013/03/CapLaw\\_03\\_11.pdf](http://www.cplaw.ch/wpcontent/uploads/2013/03/CapLaw_03_11.pdf).

#### Special rules for collective investment schemes and structured products

Special provisions apply in case of financial products qualifying as collective investment schemes or structured products.

Collective investment schemes are subject to extensive regulation that includes vast product approval requirements and licensing duties for fund management companies, fund managers, and distributors. In the case of complex debt securities the question may arise as to whether such securities qualify as collective investment schemes, and, whether the distribution of these financial instruments could be considered as regulated direct or indirect distribution of a collective investment scheme into, in or from Switzerland (for example, in case of certain fund-linked notes). As a consequence, such a qualification would presumably mean that the offering is not permitted at all (or only if certain conditions are fulfilled).

Debt securities that qualify as structured products must comply with Article 5 paragraph 1 lit. b of the Collective Investment Schemes Act, which stipulates the duty to publish a "simplified prospectus" if a structured product is intended to be distributed to non-qualified investors in or from Switzerland.

The term "structured products" does not include forward and options transactions (for example futures, (plain-vanilla) warrants, traded options, and so on) irrespective of their legal set-up, but comprises capital-protected products, yield enhancement products, participation products and complex leverage products (see the "Swiss Derivative Map" of the Swiss Structured Products Association, available on the following website: [www.svsp-verband.ch/home/swissderivativemap.aspx?lang=en](http://www.svsp-verband.ch/home/swissderivativemap.aspx?lang=en)). Debt securities with a primary focus on financing, such as collateralised debt obligations, asset-backed securities, convertible bonds and bonds as per Article 1156 of the Code of Obligations, do not qualify as structured products. The same applies to credit-linked notes issued for the purpose of financing a reference debtor. However, credit-linked notes issued for investment or speculation purposes do qualify as structured products.

Article 5 of the Collective Investment Schemes Act provides exemptions from the duty to publish a simplified prospectus if the structured product:

- Is listed on a Swiss exchange, thereby ensuring transparency.
- Is not distributed in Switzerland, but from Switzerland to non-qualified investors and if the transparency required by the Collective Investment Schemes Act is assured by virtue of foreign regulations.

According to Article 5 paragraph 4 of the Collective Investment Schemes Act, the prospectus duty of Article 1156 of the Code of

Obligations (see *Question 13*) is not applicable to structured products which are accompanied by a simplified prospectus.

The content requirements for simplified prospectuses are outlined in the guidelines on informing investors about structured products (of September 2014) issued by the Swiss Bankers Association and the Swiss Structured Products Association.

Listed structured products are further subject to applicable SIX Swiss Exchange (SIX) regulations (see *Question 8*). In addition to the duty to publish a simplified prospectus, the SIX listing rules require that a complete issuance programme (which must be distinguished from a simplified prospectus) is published. This publication requirement is analogous to the prospectus requirement under Article 1156 of the Code of Obligations for unlisted public offerings of structured products, and market standard for unlisted private placements of structured products.

A foreign issuer of unlisted structured products must have a Swiss branch if it intends to distribute to non-qualified investors in or from Switzerland (*Article 4 paragraph 1 lit. b, Collective Investment Schemes Ordinance*). The term "Swiss branch" includes a:

- Representative office.
- Branch office.
- Subsidiary.
- Sister company.
- Group company if such group company is subject to a consolidated supervision at group level.

Structured products for distribution to non-qualified investors must be issued or guaranteed (or secured in equivalent manner) by a supervised financial intermediary according to Article 5 paragraph 1 lit. a no. 1-4 of the Collective Investment Schemes Act (that is, a Swiss bank, insurance, or securities dealer, or a foreign institute subject to equivalent prudential supervision).

Further guidance on structured products regulation is set out in the Financial Market Supervisory Authority FINMA-FAQ structured products (dated 10 September 2014), available on the following webpage: [www.finma.ch/e/faq/beaufsichtigte/pages/faq-strukturierte-produkte.aspx](http://www.finma.ch/e/faq/beaufsichtigte/pages/faq-strukturierte-produkte.aspx).

### Outlook

Within the next few years, it is anticipated that the above offering rules will be revised as part of an ongoing legislative process that will lead to new Swiss financial market architecture. In particular, the currently applicable prospectus duties and distribution rules will be extended to all types of complex financial instruments (and their distributors) to enhance investor protection. Therefore, the potential impact of the new rules on debt capital markets should be followed closely (see *Question 20*).

## MARKET ACTIVITY AND DEALS

### 2. Outline the main market activity and deals in your jurisdiction in the past year.

Since the financial crisis of 2008, the market activity and deal flow of Swiss and foreign issuers in the areas of bonds and (structured) notes has been increasing. In particular, the debt market in Switzerland has become very active in the last three years.

Most notably, high yield bonds, convertible bonds, asset-backed securities, mortgage-backed securities, as well as innovative debt instruments for regulatory capital purposes of banks and insurance companies, including contingent convertible bonds, write-off bonds and other hybrid instruments, have been issued on a regular basis. Recent trends include complex securitisations of credit, leasing or real estate debt portfolios. Notably, asset-backed securities and mortgage-backed securities have become increasingly popular due to the low interest rate environment, in addition to actively-managed certificates.

Switzerland has a long tradition of investment demand for debt instruments. The overall turnover in the Swiss franc bonds segment of SIX Swiss Exchange (SIX) increased by 1.3% from the previous year to CHF165.9 billion in 2014. The overall turnover of structured products and warrants on SIX Structured Products Exchange in 2014 was CHF26.8 billion, which is a decrease of 11.5% compared to 2013.

The most significant debt capital market deals over the past three years include, among others the:

- Credit Suisse write-down bond issuance of over CHF4 billion.
- Swiss Reinsurance Company Ltd subordinated contingent write-off securities issuance of over CHF175 million at 7.5% per annum.
- BMW Group listed asset-backed securities issuance of CHF300 million.
- UBS Tier 2 subordinated notes issuance of US\$2 billion at 7.625% per annum.

## STRUCTURING A DEBT SECURITIES ISSUE

### 3. Are different structures used for debt securities issues to the public (retail issues) and issues to professional investors (wholesale issues)?

From a Swiss perspective, the distinction between retail issues and wholesale issues is more relevant in terms of marketing as opposed to the structuring of the debt securities. Consequently, the following structures of debt securities are typical for retail and wholesale offerings in the Swiss market:

- Straight bonds (fixed-rate bonds).
- Plain-vanilla notes.
- Loan participation notes.
- Structured notes.
- Floating-rate bonds.
- Zero-coupon bonds (zero bonds).
- Dual currency convertible bonds.
- Subordinated bonds.
- Convertible bonds.
- Warrant bonds.
- Asset-backed securities.
- Mortgage-backed securities.
- Covered bonds.
- Contingent convertible bonds.
- Write-off bonds.

The denomination of debt securities can be higher if only professional investors are targeted. In addition, the parent company of the issuing group regularly acts as a guarantor of the debt securities, which are issued by an SPV. More complex structures are required for asset-backed securities, mortgage-backed securities, covered bonds and contingent convertible bonds.

### 4. Are trust structures used for issues of debt securities in your jurisdiction? If not, what are the main ways of structuring issues of debt securities in the debt capital markets/exchanges?

It is not possible to set up a trust in Switzerland as this legal concept does not exist under Swiss law. Foreign trust structures (which, from a Swiss perspective, can be qualified as foreign collective investment schemes), generally, are only relevant for

cross-border offerings into Switzerland that exclusively target qualified investors.

From a Swiss law perspective, SPVs are the more common and feasible securitisation vehicle. This applies regardless of whether the SPV is set up inside or outside of Switzerland. However, SPVs must also be structured in compliance with Swiss regulations (in particular, with Articles 7 and 119 of the Collective Investment Schemes Act). Consequently, the main way of structuring debt securities is through an SPV as the issuer. Typically, a group company of the issuing group acts as guarantor for the SPV. More complex (international) securitisation transactions may involve additional SPVs or similar structures that are set up outside of Switzerland.

Despite the limitations on the creation of trusts in Switzerland, it is possible to have a bondholder trustee and/or a security trustee incorporated under foreign law, regardless of whether the terms and conditions of the notes are governed by Swiss or foreign law.

## MAIN DEBT CAPITAL MARKETS/EXCHANGES

### 5. What are the main debt securities markets/exchanges in your jurisdiction (including any exchange-regulated market or multi-lateral trading facility (MTF))?

#### Main debt markets/exchanges

The main debt securities exchange in Switzerland is the SIX Swiss Exchange (SIX) ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)). Structured products that are listed on SIX are traded on the SIX Structured Products Exchange trading platform.

SIX has created a separate segment called "International Bonds not listed on the SIX" to enable the trading of such non-SIX listed international bonds. This term includes debt securities that are:

- Issued by a foreign issuer.
- Denominated in a currency other than Swiss Francs.
- Primarily listed on an exchange which is recognised by SIX (such as members of the Federation of European Securities Exchanges or the World Federation of Exchanges).

Unlisted bonds or bonds that are not listed on a recognised exchange can also be admitted in this segment, provided that certain other requirements are fulfilled.

#### Approximate total issuance on each market

According to the SIX Swiss Exchange (SIX) website, as of 16 January 2015, 1,700 bonds were listed on SIX, another 3,500 bonds were admitted to trading in the international bond segment, and over 32,400 structured products were listed for trading on the SIX Structured Products Exchange.

#### Other exchanges

The smaller BX Berne eXchange (BX) ([www.berne-x.com](http://www.berne-x.com)) focuses on Swiss small and medium-sized businesses and is unlikely to be used for the listing of debt securities. As the degree of structure and organisation of BX is not equivalent to that of a full-fledged exchange, BX is licensed and subject to Financial Market Supervisory Authority supervision as an "institution similar to a stock exchange".

### 6. What legislation applies to the debt securities markets/exchanges in your jurisdiction? Who are the main regulators of the debt capital markets?

#### Regulatory bodies

The Swiss Financial Market Supervisory Authority (FINMA), an independent supervisory authority established by law, is charged

with the overall supervision of stock exchanges and the financial market. However, the principle of self-regulation constitutes an important pillar of the Swiss system of stock exchange and financial market supervision. Consequently, a substantial part of regulatory supervision lies within the responsibility of private self-regulatory bodies. Most importantly, SIX Swiss Exchange (SIX) has established three specific regulatory bodies that are strictly divided from its operational business:

- The Regulatory Board (responsible for rule-making).
- The SIX regulation division (responsible for rule enforcement).
- Three judicial bodies.

In practice, self-regulation has many advantages, such as short "time-to-market" and "customer friendliness" in regulatory proceedings.

#### Legislative framework

Currently, the regulatory framework for debt securities markets/exchanges consists of:

- The Federal Act on Stock Exchanges and Securities Trading.
- The Federal Ordinance on Stock Exchanges and Securities Trading.
- The Ordinance of the Swiss Financial Market Supervisory Authority on Stock Exchanges and Securities Trading.

Furthermore, the following as well as many other SIX Swiss Exchange (SIX) regulations (including a broad range of prospectus schemes, directives, and circulars) apply to listed securities:

- The SIX Listing Rules.
- The Additional Rules for the Listing of Bonds.
- The Additional Rules for the Listing of Derivatives.
- The Directive on the Procedures for Debt Securities.

In addition to the regulations mentioned above, publicly offered debt securities are subject to Article 1156 of the Code of Obligations, which stipulates a civil law prospectus duty (see *Question 13*).

With the implementation of the new Swiss Federal Financial Services Act in the coming years, there will be substantial changes to the currently applicable regulatory framework (see *Question 20*).

## LISTING DEBT SECURITIES

### 7. What are the main listing requirements for bonds and notes issued under programmes?

#### Main requirements

The main requirements for the listing of debt securities on SIX Swiss Exchange (SIX) are set out in the SIX Listing Rules and its corresponding additional rules, where applicable. The requirements include, among others:

- Track record and financial record (see *below, Trading record and accounts*).
- Application of recognised accounting standards, such as IFRS, US GAAP or under certain conditions the accounting standards of the issuer's home country (local GAAPs).
- The issuer's reported equity capital must be at least CHF25 million (or an equivalent amount in another currency) on the first day of trading.
- Certain requirements can be waived, if a third party provides a guarantee in respect of the securities and the guarantor fulfils the relative issuer requirements.
- Audit report.

- Debt securities must be issued under the laws of an Organisation for Economic Co-operation and Development (OECD) member, subject to exceptions.
- The aggregate nominal value of a bond issue must be at least CHF20 million (or an equivalent amount in another currency).
- Appointment of a Swiss paying agent.

The formal proceedings for the listing of debt instruments on SIX are governed by the Directive on the Procedures for Debt Securities. The listing of debt securities requires the initial registration of the issuer, the approval of the prospectus by SIX, and the provisional and definitive listing of the debt securities. In the event that a foreign base prospectus does not fully comply with the SIX listing requirements, a Swiss wrapper containing the missing information must be submitted to SIX.

The application for provisional admission to trading is submitted online to SIX via the Internet Based Listing interface. In principle, approval can be granted as early as three trading days after submission of the application. Subsequently, the issuer must file a formal listing application in writing (including the prospectus) to SIX within two months of the first trading day. This is a major advantage compared to other marketplaces.

#### Minimum size requirements

In principle, a minimum nominal value of CHF20 million is required for the listing of debt securities on SIX Swiss Exchange (SIX). However, exceptions to this minimum size requirement can be granted.

#### Trading record and accounts

Generally, the issuer of debt securities must have existed as a company for at least three years and must have published annual financial statements that comply with the applicable financial reporting standards for the three full financial years preceding the listing application.

Exceptions to this general rule are set out in the Directive on Exemptions regarding Duration of Existence of the Issuer (track record). The Regulatory Board may refrain from applying the listing requirement governing the minimum duration of existence of an issuer if:

- Such an exemption appears desirable in the interest of the company or of investors.
- It has assurance that investors will be able to obtain the information required to make a well-founded evaluation of the company and the relevant debt security.

#### Minimum denomination

The denominations forming the total value of a security must enable an exchange transaction in the amount of one round lot. A minimum denomination requirement does not exist for debt securities. However, the market standard for issues in Swiss francs comprises denominations of:

- CHF1,000.
- CHF5,000.
- CHF10,000.
- CHF100,000.

### 8. Are there different/additional listing requirements for other types of securities?

#### Applicability of general rules

The listing rules described in *Question 7* apply to all types of bonds. Special requirements apply for certain types of securities as set out below.

#### Convertible bonds

The listing prospectus of convertible bonds and exchangeable debt securities must contain detailed conversion or exchange conditions, with specific reference to the circumstances under which the conditions and the related procedures can be altered. In the case of convertible bonds and exchangeable securities relating to equity securities that are already listed on SIX Swiss Exchange (SIX) or a SIX-recognised exchange, the listing prospectus must contain additional information concerning the underlying security. If the equity securities into which a convertible bond or exchangeable debt security relates are not listed on such an exchange and their listing is not being applied for at the same time, the listing prospectus must contain all of the information on the equity securities that the Regulatory Board deems appropriate to enable the investor to assess the relevant equity security (*Article 27, SIX Listing Rules*).

#### Warrant bonds

For warrant bonds, the listing prospectus must contain complete details about the debt security and the terms and conditions of the warrant as per SIX Swiss Exchange (SIX) Scheme E (bonds). In addition, it must contain information on the underlying security as prescribed in SIX Scheme F (derivatives).

#### Asset-backed securities

The listing of asset-backed securities (including mortgage-backed securities) requires that a transaction summary and overview be included in the listing prospectus. The purpose of the summary is to brief investors on the main characteristics and the structure of the transaction in a comprehensible manner. It should include information on the risks associated with the acquisition of the securities, as well as the opportunities to enforce investor rights. The summary must also refer to the detailed information provided in the listing prospectus and briefly explain the relationships between the different documents.

The asset-backed securities overview should comprise descriptions of the following points:

- The main elements of the transaction.
- The collateral, as well as the associated risks.
- The risks associated with the structure of the transaction, including third-party risk.
- The legal risks.
- All other significant risks associated with the structure and with the assets serving as collateral.

Besides the above requirements, there are no distinct listing requirements for asset-backed securities. It should be noted though that the requirement for a three-year track record and minimum capital of CHF25 million can be waived for asset-backed securities.

#### Secondary listings

In the case of bonds that are already listed on foreign exchanges, some of the information that is required pursuant to the SIX Swiss Exchange (SIX) Scheme E (bonds) can be omitted.

#### Derivatives/structured products

Special provisions are applicable to structured products and other derivatives (including warrants). In particular, the requirements under the Additional Rules for the Listing of Derivatives, the Directive on Debt Securities with Specific Structures and the SIX Swiss Exchange (SIX) Scheme F (derivatives) must be fulfilled, especially with respect to the content of the listing prospectus.

Further information may be obtained on the following website: [www.six-exchange-regulation.com/regulation/listing\\_rules\\_en.html](http://www.six-exchange-regulation.com/regulation/listing_rules_en.html).

## CONTINUING OBLIGATIONS: DEBT SECURITIES

### 9. What are the main areas of continuing obligations applicable to companies with listed debt securities and the legislation that applies?

#### Regular reporting obligations

The ongoing reporting obligations of an issuer/guarantor are set out in the SIX Swiss Exchange (SIX) Listing Rules and various other SIX regulations, particularly, the Directive Regular Reporting Obligations and SIX Circular No. 1 on the Reporting Obligations for the Maintenance of a Listing.

The most important general reporting obligations concerning the issuer of debt securities include, among others, the following reportable facts:

- Change of name.
- Address change.
- Change of contact persons.
- Change of financial reporting standard.
- Change of website address where annual report is published.
- Change of balance sheet date.
- Change of auditor.
- General meeting of shareholders; dates, invitations, resolutions, and so on.
- Annual reports (including audited financial statements).
- Capital decrease.
- Capital structure.
- Monthly exercise of conditional capital.

Additional regular reporting obligations with respect to the listed debt securities include, but are not limited to, the following reportable facts:

- Change in the rights attached to the listed debt securities.
- Amortisations.
- Early redemptions.
- Increases.
- New interest rates in case of floating rate bonds.
- Change of issuer/guarantor.
- Change of paying agent.
- Invitation to general meeting of bondholders.
- Bankruptcy, composition, or other insolvency and liquidation proceedings.
- Exercise of conversion rights.
- Non-exercised conversion rights upon expiry of the conversion period.

Further information is available on the following website: [www.six-exchange-regulation.com/obligations/reporting\\_en.html](http://www.six-exchange-regulation.com/obligations/reporting_en.html).

#### Ad hoc publicity

Issuers must inform the market of any price-sensitive facts that have arisen in their sphere of activity (*ad hoc* publicity). Facts that can cause significant changes in the market price of debt securities include among others:

- Financial results.
- Insolvency proceedings.
- Significant changes in profits.
- Profit collapses.
- Profit warnings.

Notification of price sensitive facts must be provided as soon as the issuer becomes aware of such information. Disclosure must be made to ensure the equal treatment of all market participants. Further details are set out in the Directive on Ad hoc Publicity as well as in the accompanying commentary on the Directive on Ad hoc Publicity.

Further information is available on the following website: [www.six-exchange-regulation.com/obligations/publicity\\_en.html](http://www.six-exchange-regulation.com/obligations/publicity_en.html).

### 10. Do the continuing obligations apply to foreign companies with listed debt securities?

The regular reporting obligations and the rules on *ad hoc* publicity apply, in principle, to any issuer of debt securities (see Question 9). However, foreign companies whose securities are listed on an exchange in their home country are not subject to the provisions of the Directive on Ad hoc Publicity, even if the securities listed on the home exchange are not the same as those listed on the SIX Swiss Exchange (SIX).

### 11. What are the penalties for breaching the continuing obligations?

In accordance with Article 61 paragraph 1 of the SIX Swiss Exchange (SIX) Listing Rules, the following sanctions can be (cumulatively) imposed on issuers, guarantors and recognised representatives for breaching obligations:

- Reprimand.
- Fine of up to CHF1 million (for negligence) or CHF10 million (if deliberate).
- Suspension of trading.
- Delisting or reallocation to a different regulatory standard.
- Exclusion from further listings.
- Withdrawal of recognition.

## ADVISERS AND DOCUMENTS: DEBT SECURITIES ISSUE

### 12. Outline the role of advisers used and main documents produced when issuing and listing debt securities.

#### Advisers

Advisers play a crucial role with respect to the drafting of the transaction documentation. Typically, the issuer of listed debt securities is advised by a specialised law firm (issuer's counsel). The lead manager is advised by another law firm (underwriter's counsel).

Usually, the lead manager (underwriter) is an investment bank, which can be supported by a consortium of additional underwriters. It serves as an intermediary between the issuer and the investors, markets the debt securities in road shows, and places them based on a fixed price underwriting or a book building process.

The legal advisers draft and negotiate the transaction documentation (potentially, including legal opinions) and perform a legal due diligence in order to verify the content of the prospectus. In addition, audit firms evaluate the issuer's financial situation and provide so-called "comfort letters".

The market standard described above primarily applies to large bond and notes offerings. In case of structured products the offering process varies. As the lead manager and the issuer typically belong to the same group of companies, the focus is on

the drafting of the prospectus and conclusion of distribution or white labelling agreements.

Applications for the approval of new issuers, for the provisional admission to trading and for the definitive listing of debt securities must be submitted to SIX Swiss Exchange (SIX) by a SIX-recognised representative (which may be an in-house specialist of the issuer or an external expert such as a bank, law firm, auditing firm, adviser or consultant). A list of all recognised representatives is available under the following website: [www.six-exchange-regulation.com/admission/representativelist\\_lawyers\\_en.htm](http://www.six-exchange-regulation.com/admission/representativelist_lawyers_en.htm).

Further standard advisory tasks comprise general advice on various Swiss law aspects of the distribution of debt securities in Switzerland, for example with regard to financial instruments regulation, SIX listing regulation, the drafting of selling restrictions, or taxation.

### Documentation

The complete transaction documentation can include among other documents:

- The offering prospectus.
- Terms and conditions.
- Final terms.
- Term sheets.
- Underwriting agreements (or, in case of structured products, distribution agreements).
- Agreements among underwriters.
- Legal opinions.
- Comfort letters.
- Guarantees.
- Road show presentations.
- Global certificates/book-entry excerpts.
- Ratings.
- Paying agency agreements.
- Swiss Financial Market Supervisory Authority (FINMA) letters.
- Tax rulings (depending on the specific transaction).

Furthermore, the offering can be subject to formal corporate resolutions of the board of directors or the general meeting of shareholders of the issuer, which are frequently prepared or reviewed by advisers.

For a listing of debt securities on the SIX Swiss Exchange (SIX), the following additional documents are required:

- Issuer declaration.
- Guarantor declaration (if applicable).
- Declaration of consent.
- Swiss wrapper (if applicable).
- Final terms.

If a foreign base prospectus exists but does not fulfil all SIX requirements, a Swiss wrapper or country supplement providing the missing information must be drafted and submitted to SIX in addition to the offering prospectus.

## DEBT PROSPECTUS/MAIN OFFERING DOCUMENT

### 13. When is a prospectus (or other main offering document) required? What are the main publication/delivery requirements?

#### Listed public offerings

For all "public" (see *Question 1*) offerings of debt securities, the issuer must prepare and make available to investors a prospectus that complies with Article 1156 paragraphs 1 and 2 of the Code of

Obligations and, by way of reference, Article 652a of the Code of Obligations. If the securities are to be listed on the SIX Swiss Exchange (SIX), the detailed SIX listing requirements must be fulfilled in addition to the prospectus requirements pursuant to the Code of Obligations (see *Question 7*). Special regulatory provisions apply in the case of debt securities that qualify as structured products (see *Question 8*).

The SIX requirements for a listing prospectus are similar to Directive 2003/71/EC on the prospectus to be published when securities are offered to the public or admitted to trading (Prospectus Directive), but less extensive and more flexible. The content of the listing prospectus of debt securities is governed by SIX Scheme E (bonds) or SIX Scheme F (derivatives (including structured products)). The following must be included in the listing prospectus:

- Information on the issuer (and, if applicable, the guarantor).
- Description of the securities, risk factors, selling restrictions.
- No-MAC statement.
- Information on special features of the security (for example, in the case of convertible bonds, exchangeable securities, or warrant bonds).
- Security and ISIN number.
- Responsibility statement.

For further details, see *Question 15*.

The listing prospectus can either be provided as a complete listing prospectus for each individual issue (stand-alone prospectus) or as an issuance with separate final terms for each bond or note issued under such issuance programme.

The listing prospectus must be published and made available free of charge in one of the following forms (*Article 30 paragraph 1, SIX Listing Rules*):

- Delivered in printed booklet or bound form at the issuer's head office and at those financial institutions that are placing the debt securities.
- Electronic publication on the issuer's website and possibly also on the websites of those financial institutions that are placing the debt securities.

#### Unlisted public offerings

Unlisted public debt offerings (including structured products) are subject to only a few requirements. In particular, a prospectus pursuant to Article 1156 paragraphs 1 and 2 of the Code of Obligations in connection with Article 652a of the Code of Obligations must be published. It must contain certain minimum pieces of information on the issuer and guarantor (see *Question 15*).

Apart from the few prospectus requirements stipulated by the Code of Obligations, no additional rules exist for unlisted public offers of debt securities (with the exception of structured products, (see *Question 1, Special rules for collective investment schemes and structured products and Question 8*)). However, the content and style of the offering documentation for unlisted public debt securities offerings is defined by Swiss market standard.

A publication of the prospectus on the (Swiss) webpage of the issuer is recommended.

#### Private placements

With regard to private placements (that is, offerings of debt securities which are not "public"), no particular prospectus duty exists. Nevertheless, a prospectus is regularly provided on a voluntary basis. For private offerings of Swiss debt, the content of the prospectus should follow Swiss market standard. The content requirements for private offerings of foreign debt in Switzerland

are based on foreign rules and regulations. However, Swiss market standards should also be considered, in particular, with respect to Swiss selling restrictions.

In the special case of a private placement of notes governed by Swiss law that are issued by a non-Swiss issuer with a denomination of CHF10,000 or more, a prospectus is required according to the Swiss Bankers Association's Guidelines Regarding Notes from Foreign Issuers, if the notes are directly placed with the clients of Swiss banks involved in the offering.

The prospectus should be delivered to investors only physically or electronically. Notably, the publication of the prospectus on the issuer's webpage without appropriate access restrictions and disclaimers is not recommended as it can be considered to be a form of "public" distribution (and thereby trigger the requirements that apply for public offerings).

#### 14. Are there any exemptions from the requirements for publication/delivery of a prospectus (or other main offering document)?

Under Swiss law, in the case of public offerings no exemptions from the duty to publish a prospectus (as described in *Question 13*) which would be similar to the safe harbour rules of Directive 2003/71/EC on the prospectus to be published when securities are offered to the public or admitted to trading (Prospectus Directive) exist. However, if a SIX Swiss Exchange (SIX) listing prospectus is published it can be used simultaneously as an issue prospectus (given that the requirements of a listing prospectus go beyond those of Article 1156 of the Code of Obligations). Unlisted private offerings are not subject to any statutory prospectus requirements.

The listing rules of SIX provide for a number of exemptions from the obligation to produce a listing prospectus. Namely, if a listing prospectus (or an equivalent information document) for the respective securities has been published less than 12 months previously or in connection with the listing of debt securities that:

- Calculated over a 12-month period, account for less than 10% of previously listed securities of the same class.
- Are issued in exchange for securities of the same class that are already listed on SIX, provided that the issue of these securities is not associated with a capital increase on the part of the issuer.
- Are issued in connection with the conversion or exchange of other securities, or as a result of the exercise of rights associated with other securities, provided that the securities in question are of the same class as the securities that are already listed.
- Are offered in connection with a takeover by means of an exchange offer, provided that a document is available which contains information regarded by the Regulatory Board as equivalent to a listing prospectus.
- Are offered, allotted or are to be allotted in connection with a merger, provided that a document is available which contains information regarded by the Regulatory Board as equivalent to a listing prospectus.
- Are offered, allotted or are to be allotted free of charge to existing holders of such securities, as well as dividends paid out in the form of securities of the same class as the securities in respect of which such dividends are paid, provided that the securities are of the same class as those that are already listed and that a document which is available contains information on the number and type of securities and the reasons for and details of the offer.
- Are offered, allotted or are to be allotted by the issuer or an affiliated company to current or former members of the board of

directors or executive board, or to employees, provided that the securities are of the same class as those that are already listed, and that a document is available which contains information on the number and type of securities and the reasons for and details of the offer.

Moreover, in certain cases some of the information normally required in the listing prospectus can be omitted or truncated (see *Articles 18 and 19 of the Additional Rules for the Listing of Bonds*), such as:

- In the case of the listing of convertible bonds and bonds with warrants, if the warrants or conversion rights relate to equity securities that are issued by the same issuer or by a guarantor that is associated with the issuer within the same group of companies and such equity securities are already listed.
- In the case of the listing of securities that do not constitute convertible bonds or bonds with warrants, and that are issued by an issuer whose equity or debt securities are already listed.
- In the case of regional authorities.

#### 15. What are the main content/disclosure requirements for a prospectus (or other main offering document)? What main categories of information are included?

##### Listed public offerings

The SIX Swiss Exchange (SIX) prospectus requirements are similar to the Directive 2003/71/EC on the prospectus to be published when securities are offered to the public or admitted to trading (Prospectus Directive), but less extensive and more flexible. The content of the listing prospectus of debt securities is governed by SIX Scheme E (bonds). In particular, the listing prospectus must contain information about the issuer and the guarantor, if any, specifically:

- General information.
- Information on administrative, management and audit bodies.
- Business activities.
- Capital.
- Annual financial statements.

The listing prospectus must also contain information on the securities, including:

- Legal foundation.
- Nature of the issue.
- Terms and conditions of the securities.
- Net proceeds and intended application of the proceeds of the issue.
- Convertible bonds and exchangeable debt securities.
- Specific information for warrant bonds.
- Form of securities.
- Publication of notices.
- Transferability of the securities and limitations to tradability.
- Security number and ISIN.
- Settlement date.
- Duration of trading.
- Trading volume.
- Information on recognised representative.

Furthermore, the listing prospectus should contain additional information in connection with asset-backed securities and persons or the company responsible for the listing prospectus.

Special provisions apply for bonds previously listed abroad, in particular, certain pieces of information marked in SIX Scheme E (bonds) can be omitted (*Article 30 and following, Additional Rules for the Listing of Bonds*).

### Unlisted public offerings

In the case of a public offering of debt securities, the issuer must prepare an issue prospectus that complies with Articles 1156 and 652a of the Code of Obligations. Under these provisions, the issue prospectus must contain the following disclosure items:

- Content of commercial register entry.
- Share capital.
- Provisions of the articles of association relating to any authorised or contingent capital increase.
- Number of dividend rights certificates and the nature of the associated rights.
- Most recent annual accounts and consolidated accounts with audit report and, generally if in practice more than nine months have elapsed since the accounting cut-off date, the interim accounts.
- Dividends distributed in the last five years or since the company was established.
- Date of the resolution concerning the issue of new debt securities.
- Specific details on the terms of the debt securities.

In connection with offerings of debt securities which are guaranteed, it is generally advisable, despite not being explicitly required by statutory law, to include similar information on the respective guarantor(s) as is required with respect to the issuer.

In addition to Article 1156 of the Code of Obligations, a non-Swiss issuer of debt securities is advised to follow the prospectus requirements or other disclosure standards of the jurisdiction of the issuer when making a public offer into Switzerland. Specifically, the Swiss Federal Act on Private International Law provides that claims arising from the public issue of debt securities by means of a prospectus, circular or similar publication are governed by the law applicable to the issuer or by the law of the state where the offering was made (that is, Swiss law in the case of an offering in Switzerland). This provision offers a potential plaintiff the right to choose the more favourable law in a prospectus liability suit in Switzerland.

### Private placements

For private offerings of foreign debt securities in Switzerland that are not listed on any Swiss exchange or any regulated market in Switzerland, the content requirements are based on foreign rules and regulations. However, Swiss market practice should also be considered, in particular, with respect to the local selling restrictions. The content of the prospectus should follow Swiss market practice (see *Question 13*).

## 16. Who is responsible for the prospectus (or other main offering document) and/or who is liable for its contents?

Article 752 of the Code of Obligations (together with Article 1156 paragraph 3 of the Code of Obligations) provides the main basis for Swiss prospectus liability. Anyone who intentionally or negligently participates in the drafting of an incomplete, incorrect or misleading issue prospectus is liable for damages, provided that there is a direct causal link between the misstatement or omission in the prospectus and the damage suffered by the investor. Importantly, prospectus liability not only attaches to the

prospectus itself but also to any other written materials distributed in the context of an offering.

The following conditions must be fulfilled for a prospectus liability claim to be successful:

- False, misleading or incomplete statements in the prospectus.
- Damages to investors.
- Damages were caused by the false, misleading or incomplete statements.
- Fault (intentionally or negligently).

A prospectus is deemed incomplete if the statutory disclosure requirements are not met, that is if there is no prospectus at all where required by law or if it contains only parts of the required information. The prospectus is deemed misleading if facts that are relevant to the investment decision are omitted.

Potential claimants in prospectus liability suits are all persons, in particular the initial subscribers and, possibly, subsequent purchasers of the debt securities, who suffered damages as a result of a violation of the disclosure requirements. Conceivable defendants, on the other hand, include the issuer, its directors and senior (and potentially other) officers, the auditors, the underwriters and the advisers to any of them. The standard of proof relevant is one of predominant probability rather than a strict evidence standard (that is, balance of probabilities).

To avoid prospectus liability risks, issuers should ensure that the process followed for the preparation of the issue prospectus is sound (due diligence defense). In particular, the process should ensure that all information required by the law and all additional information which a reasonable investor may expect to be disclosed in the prospectus in light of their potential investment are provided, and that such information is correct and is not misleading.

## TIMETABLE: DEBT SECURITIES ISSUE

### 17. What is a typical timetable for issuing and listing debt securities?

Issuing and listing of debt securities on SIX Swiss Exchange (SIX) typically involves the following steps.

#### Pre-approval of new issuers

The issuer's "recognised representative" (for example, a bank, lawyer, auditing firm, adviser or consultant which has been recognised by SIX Swiss Exchange (SIX)) must submit a written application confirming that the issuer fulfils all requirements relating to listing and maintaining the listing on SIX. The application must include a brief description of the issuer (track record, capital resources, financial reporting). A decision regarding the admission of a new issuer to provisional trading will be made within three exchange days after receipt of all the documents required.

#### Provisional admission to trading

As a particular feature of the SIX Swiss Exchange (SIX) listing procedure, debt securities intended for listing may be admitted provisionally to trading. The issuer's recognised representative must submit the relevant application electronically via the Internet Based Terms web portal. The application must contain a description of the securities, provide an assurance that all the listing requirements are fulfilled (in the case of a new structure, the issuer must also assure that the structure of the securities has already been approved), and confirm that a listing application will follow. Provisional trading can begin as early as within three trading days following the receipt of the electronic application. The resulting short time to market constitutes a significant advantage of SIX compared to other market places.



## Listing application and documentation

Within two months of the admission to provisional trading, the issuer's recognised representative needs to submit a written listing application to SIX Swiss Exchange (SIX) Exchange Regulation. Failure to do so will result in the lapse of the provisional admission to trading. The listing application, which may be in German, French, Italian or English, must contain a short description of the transaction, the formal application to list the debt securities on SIX, and a reference to the required supporting documents. If certain listing requirements are not met, the listing application must contain a request for an exemption.

The following documents must be submitted together with the listing application:

- In the case of a new issuer, the articles of association and an excerpt from the Swiss Commercial Register (or any comparable foreign register).
- Listing prospectus.
- Issuer declaration, including, among other things, a statement that the responsible bodies have approved the listing, that the prospectus is complete, and that no material adverse change has occurred (the declaration can be downloaded from the SIX Exchange Regulation website: [www.six-exchange-regulation.com/declaration](http://www.six-exchange-regulation.com/declaration)).
- In the case of permanent global certificates, a copy of the certificate.
- In the case of uncertified securities, a copy of the register.

The decision will generally be issued within a maximum of 20 trading days.

## TAX: DEBT SECURITIES ISSUE

### 18. What are the main tax issues when issuing and listing debt securities?

The main tax issue for Swiss issuers is the Swiss withholding tax, which is currently taxable at a rate of 35% on interest payments for domestic bond issues. Temporary exemptions are available only for contingent convertible bonds as well as certain write-off bonds that qualify as regulatory capital issued by relevant banks.

The Swiss withholding tax on interest payments provides a distinct competitive disadvantage for Swiss issuers wishing to access the international capital markets. However, the Swiss Federal Council has proposed an updated legislation, which would limit the application of the Swiss withholding tax to Swiss resident individual bondholders, that is, a change from the issuer principle to the paying agent principle.

However, Swiss-resident bondholders are entitled to a full refund of such Swiss withholding tax if, among other requirements, the income subject to such Swiss withholding tax has been properly declared in the income tax return of the Swiss resident bondholder. Furthermore, bonds (like any other taxable securities) are subject to a 0.15% Swiss transfer stamp duty for domestic bonds and 0.3% for foreign bonds if a transfer of title occurs for consideration and a Swiss securities dealer is involved as a party or as an intermediary to a transaction. For direct tax purposes of Swiss resident individual bondholders, most of the gains of bonds are subject to Swiss income tax.

Upon sale and redemption of structured products, the theoretic bond component is subject to *pro rata* Swiss income taxation. To date, accrued interest is considered tax-free income on the sale of a bond. However, this may change depending on the enactment of a proposed legislation revising this tax treatment by the Swiss Federal Council.

## CLEARING AND SETTLEMENT OF DEBT SECURITIES

### 19. How are debt securities cleared and settled and what currency are debt securities typically issued in? Are there special considerations for holding, clearing and settling debt securities issued in foreign currencies?

#### Overview

Debt securities are cleared and settled via clearing and settlement systems such as SIX Swiss Exchange (SIX) x-clear and SIX SIS (or other reputable clearing organisations). SIX provides a fully integrated clearing and settlement model, namely the so-called "Swiss Value Chain". The Swiss Value Chain integrates various subsystems as part of a co-ordinated process, allowing for a straight-through processing.

Swiss bond offerings are typically issued in Swiss francs, but other currencies are used regularly. Special settlement options apply for international bonds (see *Question 5, Main debt markets/exchanges* and below, *Settlement options for international bonds*).

#### Clearing

Clearing is considered to be a securities risk management process and is supported by a clearing house or central counterparty. SIX Swiss Exchange (SIX) offers comprehensive clearing services for debt securities that are traded in Switzerland in co-operation with SIX x-clear Ltd and LCH Clearnet Ltd acting as central counterparties for their members.

#### Settlement

Settlement is the transfer of ownership and exchange of securities, generally on a "delivery versus payment" basis. This leads to settlement finality of a trade and is usually supported by a central securities depository. SIX Swiss Exchange (SIX) uses an integrated settlement solution which relies on the co-operation of recognised central securities depositories that are incorporated in the straight through processing process.

#### Settlement options for international bonds

Settlement of international bonds entails a number of possible scenarios that depend on the parties involved in the transaction. There are three processing scenarios for international bonds:

- **Internal trade.** Between SIX Swiss Exchange (SIX) SIS members.
- **Cross-border trade.** Between a SIX SIS member and a so-called "routing member" (that is, a party which does not keep its inventory of international bonds with SIX SIS).
- **Routing trade.** Between two routing members.

In the case of an internal trade, both parties keep their inventories with SIX SIS. This scenario reflects the automated clearing of a Swiss franc transaction, with the difference that the trade is executed in a foreign currency. In a cross-border trade a SIX SIS member trades with a routing member and one of the parties keeps its inventory of international bonds with Clearstream Luxembourg or Euroclear Bank. In the case of a routing trade between routing members both parties keep their inventories of international bonds with Clearstream Luxembourg or Euroclear Bank. In this particular scenario, SIX SIS is only involved as a routing agent and not in settlement.

Further information can be obtained on the following website:

[www.six-swiss-exchange.com/participants/clearing/clearing\\_settlement\\_en.html](http://www.six-swiss-exchange.com/participants/clearing/clearing_settlement_en.html)

## REFORM

### 20. Are there any proposals for reform of debt capital markets/exchanges? Are these proposals likely to come into force and, if so, when?

#### An introduction to Switzerland's new financial market architecture

Following the regulatory developments that have been (and continue to be) introduced in the EU in the aftermath of the financial crisis by Directive 2014/65/EU on markets in financial instruments (Markets in Financial Instruments Directive II) (MiFID II) and the European Market Infrastructure Regulation, Switzerland is reforming its financial market architecture in a similar manner. As part of this process, three new pillars of financial markets regulation are intended to be implemented:

- **Federal Financial Services Act.** The proposed law is expected to regulate the creation of financial instruments and related services (including distribution).
- **Financial Market Infrastructure Act.** The proposed law will contain rules on trading venues, over-the-counter derivatives, clearing and settlement, and the general transparency of derivative markets.
- **Federal Financial Institutions Act.** The proposed law aims to regulate supervision and licensing requirements for banks, securities dealers, fund management companies, collective investment scheme asset managers, and external asset managers.

Below is a brief summary of the proposed new laws all of which aim to implement consistent rules (that is, a level playing field) for all financial instruments and service providers.

#### Federal Financial Services Act

The Federal Financial Services Act applies to financial service providers, client advisers, securities providers and issuers of financial instruments. Its aim is to regulate financial services and products in a consistent manner, in particular, in order to ensure client protection.

With the implementation of the Federal Financial Services Act, a single regulatory prospectus liability rule applicable to all types of financial instruments as well as the obligation to publish a basic information sheet for all complex financial products will be introduced. Furthermore, it is anticipated that the key points of the Federal Financial Services Act will comprise certain organisational and point of sale duties (including client segmentation and the obligation to perform suitability checks), licensing requirements for individual client advisers, and regulation of cross-border activities into Switzerland.

The proposed law will have a strong impact on banks, securities dealers, issuers and distributors of financial products, fund management companies, (external) asset managers, and individual client advisers, with respect to the legal structuring and distribution of financial products.

#### Financial Market Infrastructure Act

The Financial Market Infrastructure Act will apply to certain trading venues of financial market intermediaries, that is, stock exchanges, multilateral trading facilities and organised trading facilities, central counterparties, central securities depositories, trade repositories and payment systems. Its purpose is to enhance the transparency of the derivative markets and to enhance investor protection.

The new act is intended to provide comprehensive regulation of the financial market infrastructure. Furthermore, it will ensure that trades with derivative products are subject to duties comparable to those applicable in the EU (that is, the European Market

Infrastructure Regulation/Directive 2014/65/EU on markets in financial instruments (Markets in Financial Instruments Directive II) (MiFID II)) with certain exceptions. Namely, the act will retain the principle of self-regulation and not prohibit operators of organised trade systems from conducting trades for their own account on the system operated (however, the act stipulates that customer interests have to be safeguarded in this case). Furthermore, there is no duty to immobilise or dematerialise securities. Finally, foreign financial market supervisory authorities are only permitted to access the Swiss transaction registry (subject to a respective treaty) if certain conditions are met (for example, the foreign financial market supervisory authority is subject to a statutory confidentiality duty).

Swiss trading venues, especially "exchange-like facilities" should closely examine the scope of the proposed new licensing requirements. Compliance with the derivatives trading obligations will require significant administrative and operational adjustments by both financial and non-financial counterparties.

#### Federal Financial Institutions Act

The Federal Financial Institutions Act introduces a differentiated supervisory and regulatory regime for financial institutions that provide certain financial services to third parties (that is, asset managers, qualified asset managers, fund management companies, securities dealers and banks). It is envisaged that the Federal Financial Institutions Act will regulate the regulatory requirements that must be fulfilled by financial institutions that wish to obtain (or maintain) a regulatory licence, which is mandatory in order to conduct specific (regulated) financial services.

The Federal Financial Institutions Act, in its current form, will adapt and harmonise the current rules regarding financial institutions that already require a licence under existing laws without any material changes. In addition, the act will introduce new categories of financial institutions, in particular, "qualified asset manager" (meaning asset managers of collective investment schemes or Swiss occupational pension schemes) and "securities firm", and subject all asset managers, including external asset managers, to a licence requirement. The act also comprises:

- Authorisation conditions (for example, due diligence obligations regarding tax compliance of accepted assets).
- Organisational requirements.
- Rules regarding the harmonised supervision of financial institutions.
- Insolvency law measures concerning certain types of financial institutions.
- Criminal provisions.

Asset managers that are newly required to obtain a licence may benefit from a grandfathering clause and will, under certain conditions, not be subject to prudential supervision.

The Federal Financial Institutions Act will have an impact on all financial institutions and services providers. Qualified asset managers will be subjected to stricter requirements than "regular" asset managers. In particular, external asset managers will presumably be obliged to apply for a licence. This requirement would represent a major change in comparison with today's regulatory environment.

#### Conclusion/further guidance

The proposed laws will greatly affect among others:

- Financial instruments and services providers.
- Banks.
- Securities dealers.
- Issuers and distributors of financial instruments.
- Client advisers.
- Trading venues.

In particular, the new prospectus duty, the basic information sheet, and the duty to obtain an approval from a supervisory body for any type of offering of debt securities are important changes in the area of debt capital markets.

The timeframe in which the proposed new laws are expected to come into force will depend on the outcome of the parliamentary process. It is generally expected that the Financial Market Infrastructure Act will enter into force sometime in 2016. Both the

Federal Financial Services Act and the Federal Financial Institutions Act will presumably enter into force in 2017 or 2018.

Further guidance on the proposed new financial market laws (and their effects on market participants) is available in the publication *Switzerland's New Financial Market Architecture*, by the NKF Banking, Finance and Regulatory team which can be downloaded on the NKF-website: [www.nkf.ch/en/publikationen\\_suche/fachgebiete.php](http://www.nkf.ch/en/publikationen_suche/fachgebiete.php).

## ONLINE RESOURCES

### Swiss Financial Market Supervisory Authority

**W** [www.finma.ch](http://www.finma.ch)

**Description.** Official webpage of the Swiss Financial Market Supervisory Authority. Contains applicable regulatory framework, guidelines and other useful information.

### SIX Swiss Exchange

**W** [www.six-swiss-exchange.com](http://www.six-swiss-exchange.com)

**Description.** Official webpage of the SIX Swiss Exchange, contains applicable SIX Swiss Exchange regulation, directives, and other useful information.

### SIX Structured Products Exchange

**W** [www.six-structured-products.com](http://www.six-structured-products.com)

**Description.** Official webpage of SIX Structured Products Exchange, contains information on listed products and other useful information.

### BX Berne Exchange

**W** [www.berne-x.com](http://www.berne-x.com)

**Description.** Official webpage of BX Berne Exchange, contains applicable BX Berne Exchange regulation, directives, and other useful information.

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**Professional qualifications.** Admission to the Swiss bar.

**Areas of practice.** Capital markets; banking, finance and regulatory; financial products.

#### Recent transactions.

- Advising managers in EUR250 million hybrid bond issuance by ARYZTA.
- Acting for Swiss Re Corporate Solutions Ltd in US\$500 million subordinated notes issue.
- Advising CPH Chemie + Papier Holding AG in the issuance of a CHF120 million corporate bond.
- Representing PSA Finance Suisse SA, a subsidiary of the PSA Peugeot Citroën Group, in connection with its first securitisation of a revolving portfolio of approximately CHF300 million in Swiss auto leases placed with a single private investor.
- Advising Credit Suisse in relation to the CHF370 million first of its kind Swiss domestic Swisscard AECS credit card securitisation (and one follow-up transaction).
- Acting for UBS, Credit Suisse, Zürcher Kantonalbank and Bank Vontobel, in connection with the successful placement by Schindler Holding Ltd. of CHF218 million in SIX Swiss Exchange listed bonds exchangeable into shares of ALSO Holding AG.
- Credit Suisse in relation to the CHF200 million first of its kind Swiss domestic securitisation of a revolving portfolio of auto lease assets originated by Cembra Money Bank (formerly GE Money Bank) in Switzerland (and two follow-up transactions on the Swiss auto-lease platform).
- Credit Suisse, Citigroup, Deutsche Bank and Goldman Sachs International as Joint Bookrunners in connection with the EUR350 million offering of 6.75% Senior Notes due 2019 issued by gategroup Finance (Luxembourg) SA and guaranteed by gategroup Holding AG.
- Continuously advising a broad range of Swiss and foreign issuers regarding the creation, the listing, and the distribution of structured products.
- Regularly acting for a number of Swiss and foreign issuers in the registration of their (structured) notes, warrants, and certificates programmes.

**Languages.** English, German, French, Italian, Czech, Dutch, Hebrew, Hungarian, Norwegian, Russian, Spanish, Swedish.

**Professional associations/memberships.** International Bar Association (IBA), Swiss Bar Association, Zurich Bar Association.

#### Publications

- Abegglen Sandro/Huber Andrea, *A Changing Landscape – A Guide to Regulatory Developments in the Distribution of Retail Investment Products*, in *Herbert Smith Freehills, November 2012*, pp. 36–39.
- Bianchi Luca, *Proposed Regulatory Framework for Financial Products in Switzerland*, in *CapLaw 1/2014*, pp. 18–23.
- Bianchi Luca/Bianchi François, *RdF-Länderreport Schweiz: Aktuelle Entwicklungen im Aufsichts-, Zivil-, Bilanz und Steuerrecht für den Kapitalmarkt*, in *RdF1/2014*, pp. 70–74.
- NKF Banking, Finance and Regulatory Team, *Switzerland's New Financial Market Architecture, Publication 18, Zurich 2012*.
- NKF Capital Markets Team, *Debt Capital Markets 2014*, in *David Lopez/Adam E Fleisher/Daseul Kim, Getting the Deal Through – Debt Capital Markets 2014*, pp. 96–103.
- Weber Philippe, *The Offering of Foreign Securities in Switzerland*, in *Thomas Reutter/Thomas Werlen, EIZ-Kapitalmarkttransaktionen III, Zurich 2008*, pp. 1–38.