

## Post Trade Securities Topics in current Initiatives and/or upcoming Regulations

(Swiss SPTC working paper; Status September 2019)

Initiative, Regulation, Topic	Short description of potential PT Impact and/or PT Topics	Activities/Involvement of the Securities Industry respectively of SPTC members	
<p><b>I CAJWG</b> (Corporate Actions Joint Working Group) -E-MIG -T2S CASG Standards</p> <p><i>Corporate Actions Processing Standards: Is dealing with Barrier 3 referring to national differences, the operational problems that are characterised by the variety of rules in the cross-border environment. CAJWG standards are a set of Europe-wide agreed best practices and is based on a private sector initiative.</i></p>	<p>European Best Market Practices on Corporate Actions Processing -&gt;T2S Requirements based on CAJWG Standards</p> <p>-&gt;Link to CAJWG Standards: <a href="http://www.afme.eu/globalassets/downloads/briefing-notes/afme-cajwg-standards-revised-version-2012-updated-2015.pdf">http://www.afme.eu/globalassets/downloads/briefing-notes/afme-cajwg-standards-revised-version-2012-updated-2015.pdf</a></p> <p><b>As per CAJWG meeting and E-MIG Meeting in 2017:</b> -&gt;European major markets to be fully compliant with the standards by 2018 -&gt;the last bit to the top of the mountain is the most difficult -&gt;building blocks of uniform interpretation -&gt;indispensable to put Market Standards for Corporate Actions Processing and their implementation in the context of regulatory initiatives (EPTF/CMU, SRD II, MiFID II and T2S) to intensify communication -&gt;crucial to build credibility in the context of new regulation 2019/03: With SRD II/IR the respective regulatory step has been taken in 2018; private sector of the industry is doing efforts to agree on existing "grey areas" to support conformity within all CA Standards; same target have the letters sent to competent authorities (Q4 18/Q1 19) signed by the MIG and E-MIG chairman. Following E-MIG 2018:</p> <ul style="list-style-type: none"> <li>• Swiss market compliant with 127/129 CAJWG Standards (except for Standards regarding tender offers)</li> <li>• Swiss market 100% compliant with T2S CASG Standards</li> </ul>	<p>2019/03</p> <p>2019/09</p>	<p>CAJWG Meeting on 22 Feb: Main activity during the last months was to discuss and agree on the feedback for ECB's new CA proposals in the context of the Collateral Management Harmonisation and the ECMS system. T2S CA Sub-Group had the same task and the AMI-SeCo NSGs have been requested for feedback as well. The "wider" background is that the new CA Standards are going beyond ECMS and become European Market Standards.</p> <p>Swiss NSG responded with support of the CA Expert Group on 8 March. See also swissSPTC 46 agenda items 9 and 12.</p> <p>Main focus in reporting period was:</p> <ul style="list-style-type: none"> <li>• find agreement between E-MIG and ECB-CASG for a combined report of both Standard sets (-&gt;target Autumn 2019)</li> <li>• find consensus on remaining "new" CMH standards package</li> </ul> <p>First "combined" report is due on 19 September 2019 (but still in old format) followed by an E-MIG/CASG validation exercise.</p> <p>Third category of standards the CMH standards package (e.g. CA, Triparty) has been endorsed by AMI-SeCo in July 2019. CMH Standards is in different stage of its lifecycle and "only" plans but not compliance assessments are being asked from NSGs (deadline 26 September 2019). Endorsement by AMI-SeCo means that Standards are becoming mandatory for T2S members/users. Objective is also to make these standards not only being T2S but becoming European agreed best market practices (-&gt; CAJWG).</p> <p>E-MIG Meeting 2019 will be in autumn (assumed to be in late November)</p>
<p><b>R CCP Resolution &amp; Recovery</b></p>	<p>EU Commission proposal on Clearing process (-&gt; influence, amendments, new requirements for normal and/or crisis mode)</p>	<p>2019/03 2019/09</p>	<p>SPTC 46: If any news see agenda item 3 Regulatory Developments SPTC 48: If any news, see agenda item 2 Regulatory Developments</p>

R	<p><b>CMU</b> (Capital Markets Union)</p> <p>Primary focus on SME's financing models (growth of European markets)</p> <p>-&gt; EPTF (European Post Trade Forum): Advisory committee of the EU Commission; mandate for PT topics until 2018)</p> <p><i>Discussing the next steps to Growth in Europe: EU Commission has outlined a plan to promote and develop the EU market, particular focus on SME financing, long term investments, securitisation markets and approach on EU insolvency laws. EPTF has been set up to deliver a report on existing barriers and how those could be overcome.</i></p>	<p>Harmonisation activities across Europe are receiving renewed momentum in the context of EU Commission; CMU's action plan (based on EPTF's analysis):</p> <ul style="list-style-type: none"> <li>(I) review the remaining, or any new barriers to integrated post-trade environment in the EU;</li> <li>(II) provide technical advice to the Commission on follow-up actions.</li> </ul> <p>Harmonisation initiatives cover a number of issues that are currently under post-trade and financial integration of EU public authorities and private post-trade market actors.</p> <p>European Commission published on 23 August 2017 the report by the EPTF with a consultation on how to improve post-trade services used in financial transactions. The 406-page report addresses barriers and proposals in four areas: operational, structural, legal and taxation. <b><u>Click here for the full report.</u></b> <b><u>Click here for the consultation.</u></b></p> <p>Topics of the report with PT impact, e.g.:</p> <ul style="list-style-type: none"> <li>➢ Asset Segregation</li> <li>➢ Harmonisation of Registration Process</li> <li>➢ Harmonisation of Withholding Tax Procedures</li> <li>➢ ISO 20022 messages in securities processes (-&gt; within 5 years)</li> <li>➢ Ownership rights in a dematerialised environment</li> </ul> <p>Final EPTF Report is structured:</p> <ul style="list-style-type: none"> <li>- 3 operational barriers</li> <li>- 4 structural barriers</li> <li>- 4 legal barriers</li> <li>- 1 tax barrier</li> <li>- and 5 barriers on watch list with lower priority</li> </ul> <p>EU-Commission: Expected feedback/outcome on EPTF Consultation Q1 2018 (...if there is any)</p>	<p>2018/12</p> <p>2019/03</p> <p>2019/09</p>	<p>We have been informed, that there will be no official report from EU Commission on the ETPF consultation outcome. But EU Commission approached various associations (e.g. AFME, ECSDA) in December to deliver some figures to the EPTF barriers to quantify the obstacles.</p> <p>In the context of CMU the ECB plans to centralize the primary market in terms of Debt instruments services (-&gt;CSDR cross-border issuance). Discussions are ongoing how to implement WG and define the scope.</p> <p>SWIFT consultation on ISO 20022 migration - expected communication in December with more details/findings of the survey will not take place (for more background see presentation on ISO 20022 at the SPTC meeting 45).</p> <p>Associations (incl. ECSDA) sent feedback to EC on quantitative and qualitative evidence of the obstacles to the EU's post-trade activities; summarized on operational-;tax-; structural- and legal-barriers plus CSDR-related questions. Assumption is that AFME and EBF also sent their feedbacks (not yet confirmed at the time of the swissSPTC 46 meeting).</p> <p>CMU is considered to be a priority topic for the new EU Commission (incl. measures to strengthen the EURO including the operational perspective): -&gt;with all relevant areas that contribute to a harmonized European single market; free of regulatory barriers and based on European passports among member states (e.g. for CSDs with CSDR -&gt;CSDs play a critical role in fostering financial stability by minimizing custody risk and by removing settlement risks from market -&gt; CSD license as "golden label").</p> <p>-&gt;EU commission agenda in the wider context:</p> <ul style="list-style-type: none"> <li>• <i>Cyber security and cyber resilience in general and in financial services (so far only partially addressed)</i></li> <li>• <i>Basel 3: Implement final set of post-crisis reforms in the EU trying to respect the deadline among Basel Members of 1 Jan 2022</i></li> <li>• <i>Anti-Money Laundering (AML)-&gt;establishment of an EU AML supervisor.</i></li> </ul>
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R	<p><b>CSDR</b> (Central Securities Depository Regulation)</p> <p><i>Regulation of CSDs as systemically important market infrastructures</i></p> <p>Nov 2016: CSDR level 2 standards are considered to be final on 11 Feb 2017 and enter into force Feb or Mar 2017 (except fail settlement and buy-ins)</p>	<p>CSDR Level 2 legal acts + Q&amp;A CSDR: LINK: <a href="https://www.esma.europa.eu/press-news/esma-news/esma-publishes-first-set-csdr-qas">https://www.esma.europa.eu/press-news/esma-news/esma-publishes-first-set-csdr-qas</a></p> <p><b>Timeline CSDR:</b> 17.09.14: Entry into force of CSDR 31.03.17: Entry into force of RTS (except SD Art 5 – 8) 30.09.17: Deadline application for SIX SIS and for EU CSDs</p> <p>CSDR Art 6 &amp; 7 are subject to ESMA Technical Standards (RTS) → Draft RTS have been issued in Feb 2016 but are still to be adopted by EU Commission ...they are said to be planned for Q1 2018 ...+ 3 to 6 months for non-objection of EU legislators before formal publication → Draft RTS foresee a deferred implementation of 24 months following the day of their publication in the official Journal of the EU.</p> <p>CSDR Settlement Regime – SDR aim to increase settlement efficiency and harmonise <b>Settlement Discipline (SD) measures across the EU through 4 key steps:</b></p> <ul style="list-style-type: none"> <li>- <b>Prevent settlement fails</b> (trade allocation, confirmation process; automation/limitation of manual interventions; mandatory matching fields; settlement functionalities: hold &amp; release, partial settlement etc.)</li> <li>- <b>Monitor &amp; report</b> (monitor &amp; analyse settlement fails and individual CSD participant's settlement efficiency etc.)</li> <li>- <b>Cash penalties</b> (for matched settlements failing to settle on Intended Settlement Date (ISD); daily calculation with at least monthly collection, distribution &amp; reporting of penalties to participants)</li> <li>- <b>Buy-in</b> (Mandatory buy-in after a specific period of time after ISD; CSD role limited to information gathering/reporting as buy-in process shall be managed at trading party level)</li> </ul>	<p>2018/09</p> <p>2018/12</p> <p>2019/03</p> <p>2019/09</p>	<p>- September 13, 2018: Final Regulatory Technical Standards (RTS) on Settlement Discipline published in <i>the Official Journal of the EU</i>. Enter into force on September 14, 2020, after a phase-in period of 24 months!</p> <p>- October 10, 2018: CSDR buy-in Industry Meeting organized by AFME (-&gt; discuss market practice document -&gt; gaps in proposed principles; parties/associations to take responsibility as follow-up after ESMA Workshop 5<sup>th</sup> June; next steps to achieve a workable process for implementation); market practice document are available. R. Storm (SIX x-clear) will participate from infrastructure side.</p> <p>- authorization under CSDR granted for OEKB CSD (AT), CDAD (BG), VP Securities (DK), Nasdaq CSD SE (LV), Interbolsa (PT) – for all the other EU and third country CSDs no further news.</p> <p>No further news available in terms of additional CSDR authorisations.</p> <p>Industry meetings of associations under the umbrella of AFME have started; objective is to address uncertainties in the area of the CSDR fail settlement regime and to agree on common practices; follow-up meetings are planned while in the EU markets individual WG groups have been set up for the purpose of the fail settlement regime.</p> <p>SIX SIS: No news on the CSDR equivalence request yet; SIS is analyzing penalty regime gaps within the internal CSDR project; equivalence topic is also on the agenda of international associations; see also swissSPTC 46 agenda item 3 in terms of SIX SIS and agenda item 6 in terms of SIX x-clear.</p> <p><b>CSDR II: Review prepared by associations to discuss with EU Commission (excluded are <i>Internalizing and Fail Settlement Regime</i>).</b></p> <p>-Potential Settlement Discipline implementation delay from Sep 2019 to Nov 2019 (T2S Release dependency)</p> <p>-CSDR equivalence update see swissSPTC 48 agenda item 2 and 3</p> <p>-Agreement in week 36 by Settlement Expert Group to establish a CSDR Working Group)</p>
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I	<p><b>FATF</b> (Financial Action Task Force)</p> <p><i>Intergovernmental organisation to develop policies to combat money laundering and terrorism financing. The recommendations are usually transposed into local laws like Anti-Money Laundering Directive in Europe and/or Swiss regulation</i></p> <p><i>-&gt;Global Forum on Transparency and Exchange of Information for Tax Purposes</i></p>	<p>Paying Agency Function: additional disclosure requirements of certain shareholders Adaptation of Dividend Process of "non book-entries" and/or physical coupon/dividend claim by beneficial owners</p> <p>Global Forum recommendations are similar/partly in line with FATF recommendations</p> <p><i>2019/09 (Nachtrag von Swiss Banking zum Meeting 48) Die Mitglieder des swissSPTC bitte beachten, dass zwischen der deutschen und der englischen Version der Aufsichtsmitteilung inhaltliche Unterschiede bestehen; die englische Version erscheint vollständiger zu sein (Vgl. S. 3, 2. Abschnitt wo die Angaben «It is not necessary for the information to be transmitted on the blockchain. Transmission can take place via other communication channels.» fehlen).</i></p>	<p>2018/01</p> <p>2018/03</p> <p>2018/06</p> <p>2019/03</p> <p>2019/09</p>	<p>Federal Council launched a consultation on 17 Jan -24 Apr 2018 in the context of the Global Forum recommendations. A legal draft is proposing the conversion of bearer shares into registered shares. Link:<a href="https://www.admin.ch/gov/de/start/dokumentation/medienmitteilungen.msg-id-69518.html">https://www.admin.ch/gov/de/start/dokumentation/medienmitteilungen.msg-id-69518.html</a></p> <p>Federal Council consultation on Global Forum: Legal &amp; operational issue, see SPTC 42 meeting minutes Global Forum recommendations and Consultation: Follow-up from Federal Council (Vernehmlassungsbericht) expected not before Oct 2018, thus the "Botschaft/explanatory report" might not be ready for the Winter Session 2018 and could follow in the Spring Session.</p> <p>See <a href="#">swissSPTC 46</a> Agenda item 5 and <a href="#">attachment 5</a> of the minutes.</p> <p><b>Swiss Banking Nachtrag zum Meeting 48 wie folgt:</b> <b>On June 21st 2019</b> the FATF has issued an Interpretive Note to Recommendation 15 on new technologies. The FATF is setting standards on how countries must comply with the relevant FATF Recommendations to prevent the misuse of virtual assets for money laundering and terrorist financing and the financing on proliferation. <b>On 26th August 2019</b>, FINMA has released the «Aufsichtsmitteilung 02/2019, Zahlungsverkehr auf der Blockchain» / «FINMA Guidance 02/2019, Payments on the blockchain» (im Anhang auf Englisch und Deutsch) in which she makes clear, that she applies the relevant provisions of financial market law regardless of the underlying technology. Especially the rules for combating money laundering and terrorist financing are also applicable on blockchain-based business models, where the inherent anonymity of the blockchain presents increased risks.</p> <p>Therefore, Art. 10 AMLO-FINMA, which requires that information about the client and the beneficiary is being transmitted with payment orders, must also be interpreted in a technology-neutral way and applies to services based on blockchain technology. As long as no system exists for reliably transferring identification data for payment transactions on the blockchain, such transactions are only permitted in limited cases / under certain preconditions which are described in the guidance p. 3.</p> <p>Swiss Banking is currently planning an exchange with FINMA over this topic (coordinator is Frank Kilchenmann, Head Compliance, Anti-Money Laundering and Data Protection, together with our working Group FATF/GwG). <i>-&gt; Documents will be delivered separately to members.</i></p>
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I	<b>Fintech, DLT</b> (Distributed Ledger Technology), a.o.	Target: Observe and remain involved in discussions of the various associations to timely recognize and contribute to PT developments	2019/03  2019/09	-SDX is a focus agenda item on swissSPTC 46. -New Association created by European Commission, INATBA – <i>International Association for Trusted Blockchain Applications</i> . EC vision: Evolution of blockchain solutions around the trusted providers that would ensure the necessary protection, setting up of standards and interoperability of blockchain solutions. In the beginning, it is likely to be partially sponsored by the European Commission, although it is expected to be an industry association in the long run. ECSDA decision to be a member. ->development of interoperability guidelines ->"global model" of governance for blockchain and DLT -> permanent dialogue with public authorities 6 March foundation meeting of INATBA AMI-SeCo renewal of Fintech Task Force mandate (approved by AMI-SeCo); Call for experts in the Swiss market (completed in August); SIX nominated Urs Sauer; final approval of the new proposed composition will follow on 10 Sep 2019.
R	<b>FMI Resolution and Recovery</b>	Settlement process (-> influence, amendments, new requirements for normal and/or crisis mode)	2019/03  2019/09	SPTC 46: If any news see agenda item 3 Regulatory Developments  If any news see swissSPTC 48 agenda item 2 Regulatory Developments
	<b>FTT</b> (Financial Transaction Tax)	PT topics (Tax issue with potential processing issues; service issue)	2018/03 2018/06 2018/09   2018/12  2019/03 2019/09	No further Input from infrastructure side nor from banks See SPTC 43 meeting minutes, agenda point 7.5 Input SwissBanking Liaison Taxes on „Italian FTT“: <ul style="list-style-type: none"> <li>On 24 August 2018 the Federal Council authorised UBS (as pilot bank) under StGB Art 271. SwissBanking supported UBS in their application.</li> <li>SwissBanking will make available the draft application to its members that they can apply for authorisation to collect I-FTT and transfer it to the tax office.</li> </ul> No further news neither from infrastructure side, nor from swissBanking as SPTC's tax liaison. No News from infrastructure side, SwissBanking and the forum "Italian FTT": Banks are informed and Italian case has been closed. EU FTT in France and Germany: France and Germany agreed in Jan 2019 on an a joint incentive and published a position paper. The "new" FTT will follow the French model for a limited scope of transactions respectively is limited to purchases of EU shares traded on regulated exchanges; shares from EU companies with a market capitalization higher than 1 billion Euro. As per current information the proposal can be put on the ECOFIN agenda on 10 Oct 2019.



I	<p><b>ISSA</b> (International Securities Services Association)</p> <p><i>Globally oriented Post-Trade Association</i></p>	<p><u>ISSA Financial Crime Principles:</u> <a href="http://www.issanet.org/pdf/2015_08_27_ISSA_Financial_Crime_Compliance_Principles_final.pdf">http://www.issanet.org/pdf/2015_08_27_ISSA_Financial_Crime_Compliance_Principles_final.pdf</a></p> <p>ISSA Inherent Risks within the Global Custody Chain (1992 -&gt; update 2016) Enhanced KYC and KYCP and due diligence requirements Enhanced controls of Omnibus a/c setups</p> <p><u>General Meeting Proxy Voting on DLT:</u> <a href="https://issanet.org/e/pdf/2017-11_General_Meeting_Proxy_Voting_on_Distributed_Ledger_v2-1.pdf">https://issanet.org/e/pdf/2017-11_General_Meeting_Proxy_Voting_on_Distributed_Ledger_v2-1.pdf</a> <a href="https://issanet.org/e/pdf/MDR_Part3_ProxyVoting_Maintenance_2014_2015_DLT_aligned.xlsx">https://issanet.org/e/pdf/MDR_Part3_ProxyVoting_Maintenance_2014_2015_DLT_aligned.xlsx</a></p>	<p>2018/06</p> <p>2018/09</p> <p>2018/12</p> <p>2019/03</p> <p>2019/09</p>	<p>ISSA: Focus Cyber Security, DLT, FCCP (Financial Crime Compliance Principles). The last DLT Report has its focus on Compliance and IT Security <a href="https://www.issanet.org/e/pdf/2018-06_Special_NL_DLT_Principles.pdf">https://www.issanet.org/e/pdf/2018-06_Special_NL_DLT_Principles.pdf</a></p> <p>CS - O. Métral suggests to re-open the report of the CSD WG "General Meeting Proxy Voting on Distributed Ledger" and align it with the „Shareholder Rights Directive II“. SIX - U. Sauer will take up the issue with ISSA.</p> <p>No news from ISSA, but number of participants of WG General Meetings Proxy Voting on DLT is growing. -&gt; Will have to liaise with the Swiss SRD II Working Group, once put in place end Oct/begin Nov 2018</p> <p>December 14, ISSA published Newsletter: <a href="https://www.issanet.org/e/pdf/2018-12_ISSA_Year-end_Newsletter.pdf">https://www.issanet.org/e/pdf/2018-12_ISSA_Year-end_Newsletter.pdf</a> see also page 1 project regarding proxy voting.</p> <p>SIX's request for clarification on ISSA's approach to create a guide aimed at bringing clarity into the beneficial owners disclosure process in various countries. Worldwide survey will be started via different associations; first step is to get a global inventory and secondly deviate from this inventory best practices. Thus it is totally open how much SRD II and European GM Standards will influence ISSA's global best practices (-&gt; some European Infrastructures/banks are members of the ISSA WG).</p> <p>ISSA Survey on <i>current practices for beneficial owner disclosure</i> sent out in March 2019 for feedback by end of April 2019 (-&gt; via ECSDA for European CSDs). See also comments in the minutes of swissSPTC 46 under agenda item 5 and attachment 11.</p> <p>ISSA activities on FCCP, see swissSPTC 48 agenda point 8 and planned activities in the context of FCCP: Report on outcome of ISSA's anonymous survey on Sanctions-related matters; SIBOS 2019 Panel Session; Guide for Relationship Management for enhanced Due Diligence; consultant toolkit etc.</p>
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R	<p><b>SFTR</b> Securities Financing Transaction Regulation</p> <p><i>Regulation to increase transparency in the securities financing industry by mandatory reporting and revision of certain contracts</i></p>	<p>Enhanced KYC and KYCP requirements (settlement data fields) Enhanced reporting / disclosure requirements</p>	<p>2016/10</p> <p>2018/09 2018/12</p> <p>2019/03</p> <p>2019/09</p>	<p>ESMA Consultation on SFTR level II technical standards; ECSDA responded where it refers to CSDs Section 4.3.8 (p114-117) about settlement fields relating to SFTs</p> <p>No input from SPTC Forum</p> <p>No direct news from infrastructure PT side, but this is also a topic in the CSDR/Fail Settlement Regime Industry WG as CSDR's (negative) influence on Sec lending business.</p> <p>Input from Expert Group Sec Finance: SFTR is on the their agenda in the context of SIX Repo and impact on Swiss FMI's. Requirements from SNB and FINMA not yet clear in terms of reporting and where the discussion on a Swiss SFTR currently is.</p> <p>No further news yet, neither from the infrastructure nor from the forum.</p> <p>Status Quo to be confirmed, but assumption is that European Implementation is in April 2020 (was postponed by 4 Years); Switzerland is not under the SFTR Regime, but repo market and surrounding SFT capabilities are pivotal for an attractive banking sector in Switzerland (-&gt; impacted Repo, TCM, SLB); Service to be offered currently under discussion at SIX.</p>
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R	<b>SRD</b> Shareholder Rights Directive  <i>EU measure prioritizing rights of shareholders to company information</i>	Duties for intermediaries towards shareholders: New requirements on the information flow (from issuer via intermediaries to shareholders and vice versa) Legalisation of CAJWG Standards (->Level 2 ) Legalisation of GMJWG Standards (-> Level 2) Enhancements/Adaptation of GM Standards? Third Country Equivalence New disclosure requirements (e.g. shareholder identification; fees around shareholder identification)  Expert group on technical aspects of corporate governance processes: <i>Link to documentation (Agenda, meetings, consultations etc.):</i> <a href="http://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupDetail&amp;groupID=3545">http://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupDetail&amp;groupID=3545</a>  Expert Group to advise the EU Commission on the implementing acts of the revised SRD2 - Art 3a: Right for companies to identify their shareholders - Art 3b: Obligation to transmit information from companies to intermediaries and/or shareholders and back - Art 3c: Obligation to facilitate the exercise of shareholders rights to adopted by Sep 2018  ->First Draft expected end Q1 2018	2018/06	<ul style="list-style-type: none"> <li>- Focus topic swissSPTC Meeting 43; see agenda point 10</li> <li>- ECSDA, AFME; EBF: are <i>drafting</i> a letter to the EC ("golden record", an issue on standardized announcements on CA and GM announcements, which is currently missing in the draft regulation of SRD Level II)</li> </ul> <p><i>See also note under ISSA (align SRD II with CSD WG Report "General Meeting Proxy Voting on Distributed Ledger")</i></p>
			2018/09	<ul style="list-style-type: none"> <li>- Implementation of SRD II (excl. Art 3) until 10 Jun 2019.</li> <li>- Shareholder Rights Implementing Regulation (IR) was adopted by the College of the European Commission on Monday 3 Sep 2018 and can be found <a href="#">here</a></li> <li>- IR incl. Art 3 to be implemented in national regulation 24 months after publication (-&gt; 4 Sep 2020)</li> <li>- Activity in Swiss market, see SPTC 44 minutes agenda point 7 (<i>some slides available from ad hoc meeting of the Corporate Actions Expert Group held on 19 Sep 2018</i>)</li> <li>-&gt; Decision to mandate a working group for the Swiss market; a sub-group of swissSPTC will prepare the mandate.</li> </ul>
			2018/12	<p>Mandate has been defined by swissSPTC and handed over to the CA Expert Group end of October. Kick-off meeting of the WG was on December 10. FL decided to put in place a separate WG.</p> <p>Reflection and details of first meeting respectively status quo of the WGs please see separate agenda point 8 of SPTC 45.</p>
			2019/03	<p>SwissSPTC 46: See agenda item 7 of the minutes re updates of the Swiss and FL Working groups and some detailed information; Industry associations are actively contributing via 4 new task forces; regulators have been approached with individual letters appreciating conformity of national legislation with European standards; SwissBanking legal opinion on SRD II seems to be available next days (at least the "general opinion"; specific opinion will be available after transformation of the directive/implementing regulation into national laws of the EU/EEA members.</p>
			2019/09	<p><i>For any News, swissSPTC members are asked to contact their representatives in the CAEG or in the Swiss SRD II Working Group.</i></p> <p><i>General information on the four European Task Forces: Target is that all open issues will be finalized during Q4 2019.</i></p>

R	<p><b>Swiss Regulation</b> Federal Department of Finance in co-operation with FINMA are analyzing/preparing a consultation on <i>Segregation of proprietary and client assets of intermediated securities</i> Target is to close a legislative gap in the intermediary chain at least for the Swiss market and the first cross-border custodian/intermediary outside of Switzerland. Whether this will be an amendment in the Intermediated Securities Act or elsewhere is not yet defined.</p>	<p>As per the Federal Council's request the draft consultation should be ready by end of November.</p>	<p>2018/06  2018/09  2018/12  2019/03  2019/09</p>	<p>No specific News from SPTC Forum, but current EC Proposal on AIFMD/UCITS might support the outstanding/expected consultation in the Swiss market on segregation of Proprietary and Client assets in terms of book entries.</p> <p>As per SwissBanking the above mentioned revision in the area of segregation seems to come on the agenda again in Nov 2018. J.Beglinger: „Aktienrechtsreform“ is not directly a topic of/in this Forum, except the bearer shares in the context of the GwG (Geldwäschereigesetz). Update will follow at the next swissSPTC meeting.</p> <p>SwissBanking informed: Meeting between SIF and SwissBanking was on November 30, 2018, to finalise the legal text for the BEG revision. Agreement on all topics was not reached. Official consultation in the market is expected in March 2019.</p> <p>Consultation on Swiss Banking Act; Vernehmlassung zur Teilrevision des Bankengesetzes launched on 8 March and will run until 14 June 2019. Various non-securities topics, but the adoption of the BEG is of relevance for the PT in the context of the segregation/omnibus account context; Federal Council proposal is in line with European regulation and common best practices.</p> <p>SIX sent feedback 14 Jun. Final report of Swiss Federal Council is outstanding. FIDLEG and FINIG will enter into force as from 1 Jan 2020 with a transition period of 2 years.</p>
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**black** = old input;

**green** = input since last Swiss SPTC Meeting for the current meeting;

**red** = current SPTC meeting input

## ANNEX

### Acronyms

AFME	Association for Financial Markets in Europe
AIFMD	Alternative Investment Fund Managers Directive
BEG	Bucheffektengesetz
CAJWG	Corporate Actions Joint Working Group
CASG	Corporate Actions Sub-Group (ECB level ->Sub-Group of T2S Advisory Group; T2S-CASG)
CCP	Central Counterparty
CMU	Capital Markets Union
CSDR	Central Securities Depository Regulation
DLT	Distributed Ledger Technology
EACH	European Association of Clearing Houses
EBA	European Banking Authority
EBF	European Banking Federation
EC	European Commission
ECB	European Central Bank
ECSDA	European Central Securities Depositories Association
EP	European Parliament
EPTF	European Post Trade Forum
ESMA	European Securities and Markets Authority
E-MIG	European Market Implementation Group
FATF	Financial Action Task Force
FESE	Federation of European Securities Exchanges
FMI	Financial Market Infrastructure
FTT	Financial Transaction Tax
GMJWG	General Meetings Joint Working Group
GwG	Geldwäschereigesetz
HSG	Harmonisation Steering Group (ECB level ->Sub-Group of T2S Advisory Group)
ICMA	International Capital Market Association
ISSA	International Securities Services Association
KYC / KYCP	Know Your Customer / Counter Party
PT	Post Trade

T2S	Target2-Securities
SFTR	Securities Financing Transaction Regulation
SKSF	Schweizerische Kommission für Standardisierungen im Finanzbereich
SLL	Securities Law Legislation
SME	Small and medium-sized Enterprises
SRD	Shareholder Rights Directive
UCITS	Undertakings for Collective Investment in Transferable Securities