

Reporting Office Rules for the Fulfilment of the Legal Reporting Requirements for Securities Dealers

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1. Purpose

¹ Pursuant to Article 6 of the Ordinance of the Swiss Financial Market Supervisory Authority on Stock Exchanges and Securities Trading (SESTO-FINMA)¹, SIX Swiss Exchange Ltd ("SIX Swiss Exchange") is the reporting office for transactions in securities or contracts that are admitted for trading on SIX Swiss Exchange, Scoach Schweiz Ltd ("Scoach") and/or Eurex Zürich Ltd ("Eurex").

² These Reporting Rules ("Rules") govern the fulfilment of the legal reporting requirements for securities dealers ("Securities Dealers") with SIX Swiss Exchange as the reporting office ("Reporting Office").

2. Terms and definitions

Term	Definition in the sense of these Rules
Transaction	The combination of a purchase and sale offer in the same security (act which creates a legal obligation)
Transmission of Order	A securities transaction which does not directly result in a trade
Foreign security	A security issued by an institute based outside Switzerland or not primarily listed in Switzerland
Legal Transaction	A transaction in securities or a Transmission of Order
Swiss securities	A security issued by an institute based in Switzerland or primarily listed in Switzerland
Trade Report	Report of a transaction that is published for the benefit of post-trade transparency ²
Transaction Report	Report of a transaction or a Transmission of Order that is not published

3. Scope

3.1 Securities dealers subject to reporting obligations

All Securities Dealers that are regulated by the Swiss Stock Exchange Act (SESTA) are subject to reporting requirements.³

3.2 Legal Transactions subject to reporting obligations

3.2.1 Principle

Pursuant to Article 2 SESTO-FINMA, Legal Transactions subject to reporting obligations are:

- a) **Transactions** in securities admitted for trading on a Swiss exchange, regardless of whether the trade was executed in Switzerland or abroad.

Transactions executed via the exchange systems of SIX Swiss Exchange (incl. SIX Swiss Block), Scoach or Eurex, or are reported in accordance with their rules, are considered as reported in terms of these Rules.

¹ SR 954.193.

² Transactions which are reported with the «Trade Report» and «Trade Confirmation» reporting functions in accordance with the Rule Book of SIX Swiss Exchange are regarded as Trade Reports in the sense of the Reporting Rules.

³ See Articles 2, lit. d and 15(4) SESTA (Swiss Stock Exchange Act, SR 954.1) and Articles 2, 3 and 53 SESTO (Stock Exchange Ordinance, SR 954.11).

- b) All **Transmissions of Orders** which ultimately result in transactions in accordance with letter (a) of this provision, must be reported by every Securities Dealer in the transaction chain.

3.2.2 Exceptions

In accordance with Article 3 letters (a) and (b) SESTO-FINMA as well as Section VI of the Swiss Financial Market Supervisory Authority ("FINMA") Circular 2008/11 "Reporting Obligation for Stock Exchange Transactions", the following Legal Transactions are exempt from the reporting obligation:

- Legal Transactions abroad in **foreign securities** that are admitted for trading on a Swiss stock exchange to the extent that these are executed on a FINMA-recognised foreign stock exchange⁴;
- Legal Transactions abroad in securities that are admitted for trading on a Swiss stock exchange, to the extent that:
 - they are executed by a foreign branch of a Swiss Securities Dealer; and
 - the branch concerned is authorised to trade in securities by a foreign supervisory authority and is subject to a duty there to maintain a journal respectively report its transactions.
- Legal Transactions in securities that are not admitted for trading on a Swiss stock exchange;
- Legal Transactions in international bonds that are listed on a foreign stock exchange that is recognised by Switzerland and that are traded on SIX Swiss Exchange;
- Legal Transactions in securities that are executed on the basis of a repo agreement (repurchase agreement), or a securities lending and borrowing agreement.

3.2.3 Foreign participants in a Swiss stock exchange (Remote Member)

The Legal Transactions specified above under Clause 3.2, as a rule, also have to be reported by foreign participants in a Swiss stock exchange, which are regulated by Article 53 Stock Exchange Ordinance (SESTO)⁵. These Securities Dealers must report transactions abroad in securities, which are admitted for trading on a Swiss exchange, to the SIX Swiss Exchange Reporting Office or a foreign office recognised by it⁶.

4. Registration and tools (reporting tools)

¹ Securities Dealers subject to reporting obligations must register with the Reporting Office (SIX Swiss Exchange Member Services).

² The Reporting Office issues a registration number to each Securities Dealer that is subject to reporting obligations.

³ Members of SIX Swiss Exchange and Scoach are considered to be registered.

⁴ The Securities Dealer must report Legal Transactions subject to reporting obligations with the tools and technology provided by the Reporting Office. The Reporting Office issues binding, generally accepted standards for the interfaces and publishes them in separate guides.

5. Contents of the report

Reports must be made as Trade Reports or Transaction Reports with the following contents:

- a) **Identification of the Securities Dealer subject to reporting obligations:** registration number;
- b) **Designation of the type of business:** purchase or sale;

⁴ A list of the FINMA-recognised foreign stock exchanges and MTFs regarding reporting obligations is available on the FINMA website.

⁵ During a transitional period, the transitional rule under Clause 11.5.2 applies to foreign participants in a Swiss exchange.

⁶ A list of the recognised foreign reporting offices is available on the SIX Swiss Exchange website.

- c) **Identification of the securities concerned:** ISIN;
- d) **Quantity:** number of traded securities, i.e. contracts or nominal for bonds;
- e) **Price:** closing price or price less commission and fees (incl. statement of the currency);
- f) **Time of execution or time of fulfilling the order in case of Transmission of Order:** trade date and time;
- g) **Value date, if this differs from the general rule:** the value date corresponds to the general rules if the transactions are transmitted and paid three days after the trade itself (T+3);
- h) **Information whether the trade was a nostro or a client transaction:** own transaction (transaction in own name and own account) or client transaction (trade in own name but on own account of the client);
- i) **Designation of the counterparty:** For transactions: Securities Dealer subject to reporting requirements, other Securities Dealers, client. For Transmission of Order: name of the order taker;
- j) **Trading centre:** trading centre code;
- k) **Trade Type Code:** designation which further specifies the Trade Report.⁷

6. Trade Report

6.1 Transaction

All Securities Dealers involved in a transaction report the transaction to the Reporting Office as a Trade Report, with the exception of cases under Clause 7.

6.2 Reporting deadlines

6.2.1 Principle

¹ Transactions executed during continuous trading must in principle be reported as a Trade Report immediately, but no later than three minutes after the transaction has been executed.

² Transactions executed outside of continuous trading must be reported before the start of trading on the next trading day at the latest.

6.2.2 Exceptions

¹ Transactions in bonds that are listed on SIX Swiss Exchange must be reported before the start of trading on the next trading day at the latest.

² VWAP (Volume Weighted Average Price) transactions must be reported to the Reporting Office with the actual VWAP achieved and the Trade Type Code "D - Special Price" no later than 30 minutes after the close of trading if this refers to an act which creates a legal obligation (off-exchange fixed price transaction).

6.3 Publication

6.3.1 Principle

The Reporting Office publishes all information necessary for the purpose of transparency in securities trading. This applies namely to information about the price of the securities traded and the trade volume generated from this. The Reporting Office publishes the information immediately.

⁷ A list of the Trade Type Codes is available on the SIX Swiss Exchange website.

6.3.2 Delayed publication of transactions in shares and investment funds

¹ For shares and investment funds, the Reporting Office may publish transactions which meet certain criteria with a delay. Minimum volumes depending on average daily turnover as well as the fact that a securities transaction was executed between a Securities Dealer acting on his own account (nostro) and a client of this Securities Dealer are deemed to be criteria.

² The table in Annex A shows the transactions that are subject to delayed publication. Delayed publication is based on the applicable average daily turnover (ADT) of the respective securities in the market of primary listing. The Reporting Office calculates the ADTs periodically and publishes them on the SIX Swiss Exchange website.

³ The Securities Dealer can prevent delayed publication by applying a code to the Trade Report (Trade Type Code "IP – Immediate Publication").

6.3.3 Publication of transactions in CHF bonds

¹ The publication of transactions in CHF bonds listed on SIX Swiss Exchange takes place immediately.

² The Securities Dealer may apply a note to the report (trade type code "DP - Delayed Publication"). This delays publication until before opening trading on the following trading day.

6.3.4 Publication of transactions in international bonds

The publication of transactions in international bonds listed on SIX Swiss Exchange takes place monthly on a cumulative basis with transactions separated into market segments. Only the turnover shall be published.

7. Transaction Report

7.1 Transmission of Order

Every Transmission of Order in securities or contracts admitted for trading on SIX Swiss Exchange, Scoach or Eurex which ultimately result in a transaction in accordance with Clause 3 must be reported by every Securities Dealer in the transaction chain to the Reporting Office as a Transaction Report.

7.2 Transactions on foreign stock exchanges or MTFs recognised by FINMA

A Securities Dealer trading a Swiss security on a foreign exchange or on an MTF (Multilateral Trading Facility)⁸ recognised by FINMA must additionally report this transaction to the Reporting Office as a Transaction Report, provided that the transaction was published abroad within the same terms. All other transactions must be reported as Trade Reports pursuant to Clause 6.

7.3 Eurex contract transactions not traded at Eurex

¹ A Eurex contract that is not traded at Eurex, or is not reported in accordance with its rules must be reported to the Reporting Office by each participating Securities Dealer involved in the transaction as a Transaction Report.

² The transactions recorded via the OTC Trade Entry functions of Eurex Clearing AG are automatically regarded as reported.

⁸ A list of the recognised foreign stock exchanges and MTFs regarding reporting obligations is available on the FINMA website.

7.4 Reporting deadlines

Transactions are to be reported no later than the start of trading on the next trading day.

7.5 Publication

Transaction Reports are not published.

8. Fees

8.1 Principle

Pursuant to Article 6 SESTO-FINMA, the Reporting Office charges a fee ("Reporting Fee") for receiving and processing reports. The Reporting Office can waive the Reporting Fee in full or in part in compliance with the principle of equal treatment.

8.2 Reporting Fees

The applicable fees are set out in Annex B of these Rules.

8.3 Payment dates

¹ Unless agreed otherwise, Reporting Office invoices must be paid within 20 days of being issued.

² Default interest of 10% p.a. can be charged on late payments.

9. Correction and cancellation of reports

¹ A Securities Dealer can correct a report by cancelling the original report and again reporting the transaction or Transmission of Order with corrected contents. The indication of whether this is a proprietary or client transaction can also be adjusted without prior cancellation.

² A Securities Dealer can cancel a report by reversing the original report.

³ Reversals are possible until the end of the reporting system's following trading day. Later corrections must be made with contrary reports and labelled additionally (Trade Type Code "D - Special Price").

10. Reports after emergencies

¹ The Securities Dealer immediately informs the Reporting Office in the event of an emergency. Emergencies do not release from the reporting obligation as a rule. Securities Dealers undertake to subsequently report to the Reporting Office transactions and Transmission of Orders which came about during an emergency.

² Transactions and Transmission of Orders after emergencies must be marked additionally (Trade Type Code "D - Special Price"). Transactions and Transmission of Orders coming about during emergencies shall be reported as soon as possible after the end of the emergency as a rule.

³ The following specific circumstances shall be deemed to be emergency situations:

- a) failure of the reporting system of the Reporting Office or parts thereof;
- b) failure of a Securities Dealer's access system; or
- c) force majeure.

11. General terms and conditions, and place of jurisdiction

11.1 Liability for incomplete and incorrect data

The Securities Dealer is solely responsible and liable for incomplete and incorrect data that are entered in the reporting system using his data links. The Securities Dealer is equally liable for acts and omissions by providers that he has commissioned.

11.2 Inspection right

The Reporting Office has the right to inspect or have inspected the compliance with legal and regulatory provisions at all times. The Securities Dealer undertakes to grant the office conducting the inspection insight into all documents and provide such information as is necessary to carry out the inspection. The Reporting Office may charge the Securities Dealer for the costs arising from the inspection, if he is responsible for a detected violation. The Reporting Office treats the findings made confidentially, unless legal provisions require the disclosure of information. The Reporting Office may inform or involve FINMA.

11.3 Amendments to the Rules

The Reporting Office can amend the Rules at any time. Securities Dealers will be notified of any amendments via the Reporting Office website in good time before they come into effect.

11.4 Applicable law and place of jurisdiction

The Rules are subject to Swiss law. Place of jurisdiction is Zurich 1, Switzerland.

11.5 Entry into force and transitional rules

11.5.1 Entry into force

These Rules were approved by the Management Committee of SIX Swiss Exchange on 28 June 2010 and will enter into force on 1 October 2010.

FINMA approved the Rules on 30 June 2010.

11.5.2 Transitional rules for foreign participants (Remote Member)

Until the implementation of a planned amendment to the legal bases for the reporting obligation, foreign Securities Dealers, who are subject to a reporting obligation in the country of registration, may fulfil the reporting obligation voluntarily in accordance with Clause 3.2.3 either directly with the Reporting Office of SIX Swiss Exchange or with a Trade Data Monitor (TDM) recognised by SIX Swiss Exchange. The voluntary fulfilment of the reporting obligation is only possible if the foreign Securities Dealer is subject to equivalent supervision in the country of registration and simultaneously fulfils the reporting obligation there. The foreign Securities Dealers not regulated abroad (proprietary traders), however, must fulfil the reporting obligation in accordance with Clause 3.2.3 from the date of being admitted to trading on a Swiss exchange.

Annex A: Delayed publication of block transactions in shares and investment funds

The Reporting Office may publish trades in shares and investment funds with the necessary minimum volume depending on the average daily turnover (ADT) with a delay if the securities transaction is conducted between a Securities Dealer trading on its own account (nostro) and a client of this Securities Dealer.

The following table shows the delayed publication as a function of the ADT. The Reporting Office publishes the authoritative ADT per security with the master data.

		Average daily turnover (ADT)			
		ADT < CHF 150,000 (EUR 100,000)	CHF 150,000 (EUR 100,000) ≤ ADT < CHF 1,500,000 (EUR 1,000,000)	CHF 1,500,000 (EUR 1,000,000) ≤ ADT < CHF 75,000,000 (EUR 50,000,000)	ADT ≥ CHF 75,000,000 (EUR 50,000,000)
		Minimum size of transaction for the permitted delay of publication			
Permissible delay for the publication of the transaction	60 minutes	CHF 15,000 (EUR 10,000)	Greater of 5% of ADT and CHF 37,500 (EUR 25,000)	Lower of 10% of ADT and CHF 5,250,000 (EUR 3,500,000)	Lower of 10% of ADT and CHF 11,250,000 (EUR 7,500,000)
	180 minutes	CHF 37,500 (EUR 25,000)	Greater of 15% of ADT and CHF 112,500 (EUR 75,000)	Lower of 15% of ADT and CHF 7,500,000 (EUR 5,000,000)	Lower of 20% of ADT and CHF 22,500,000 (EUR 15,000,000)
	By the end of the TD* (or extension until 12.00 pm of the next TD, if the transaction is executed within the last two hours of the TD)	CHF 67,500 (EUR 45,000)	Greater of 25% of ADT and CHF 150,000 (EUR 100,000)	Lower of 25% of ADT and CHF 15,000,000 (EUR 10,000,000)	Lower of 30% of ADT and CHF 45,000,000 (EUR 30,000,000)
	By the end of the TD which follows the TD of concluding the transaction	CHF 90,000 (EUR 60,000)	Greater of 50% of ADT and CHF 150,000 (EUR 100,000)	Greater of 50% of ADT and CHF 1,500,000 (EUR 1,000,000)	100% of ADT
	By the end of the second TD which follows the TD of concluding the transaction	CHF 120,000 (EUR 80,000)	100% of ADT	100% of ADT	250% of ADT
	By the end of the third TD which follows the TD of concluding the transaction	-	250% of ADT	250% of ADT	-

* trading day

Annex B: Reporting Fees

1. Trade Report

The Reporting Fee for Trade Reports is, as a rule, based on the amount of turnover of a transaction. It is determined using base points (1/10,000) and there is a minimum ("Floor") and a maximum amount ("Cap").

The Reporting Fee per Trade Report and Securities Dealer subject to reporting requirements:

- Shares

Floor	Rate	Cap
CHF 1.50	0.25bp	CHF 26.00

- ETF / ETSF and other investment funds

Floor	Rate	Cap
CHF 2.00	0.25bp	CHF 26.50

- CHF bonds

Floor	Rate	Cap
CHF 3.50	0.50bp	CHF 151.50

- International bonds

Flat
CHF 1.50

- Derivatives (ex-subscription rights)

Floor	Rate	Cap
CHF 2.00	1.50bp	CHF 26.00

- Subscription rights⁹

Floor	Rate	Cap
CHF 0.10	0.25bp	--

2. Transaction Report

The Reporting Fee per transaction report and Securities Dealer subject to reporting requirements is CHF 1.00.

3. Minimum fee

The Reporting Office charges a minimum fee of CHF 50.00 per month, provided a reporting activity was exercised.

⁹ Rights, such as subscription rights within the framework of capital increases, subscription rights in connection with the distribution of a stock dividend, put warrants for the purpose of share repurchases, as well as shareholder and employee options.