



Media Release

19 April 2017

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Fine imposed on UBS Inc.

On 22 March 2016 the SIX Swiss Exchange Court of Arbitration partially confirmed the decision handed down on 16 March 2015 by the SIX Swiss Exchange Sanctions Commission regarding UBS Inc. The Federal Supreme Court did not occur the appeal against this decision submitted by UBS Inc. A fine of CHF 2 million was imposed on UBS Inc. for violating a regulation governing ad hoc publicity.

The regulations on ad hoc publicity require an issuer to disclose potentially price-sensitive facts to the market which have arisen in its sphere of activity as soon as it becomes aware of the main points of the price-sensitive facts. Under certain circumstances, the disclosure of potentially price-sensitive facts may be temporarily postponed ("postponement of disclosure"). However, if the information in question is untimely leaked to the public, a media release must be published in accordance with the regulations on ad hoc publicity at once ("ad hoc announcement").

The SIX Swiss Exchange Court of Arbitration agreed with the consideration of the Sanctions Commission that UBS Inc. should have published an ad hoc announcement no later than the morning of 29 October 2012 regarding a strategy change following related reports in the media. The company was not authorized to postpone the announcement while awaiting the decision of its Board of Directors, i.e. until the morning of 30 October 2012, because a potentially price-sensitive fact already existed prior to the Board's decision and the conditions for a postponement of disclosure were no longer given. As UBS Inc. breached this obligation, it violated the rules on ad hoc publicity with conditional intent.

Furthermore, the SIX Swiss Exchange Court of Arbitration found that by not publishing an ad hoc announcement before 19 December 2012 regarding negotiations with various supervisory authorities concerning LIBOR UBS Inc. did not violate the rules on ad hoc publicity, as UBS Inc. had already disclosed the LIBOR issue in accordance with the regulation on ad hoc publicity earlier and was thus in compliance with these rules. Therefore, the information on these negotiations reported by the media in December 2012 did not qualify as a new, potentially price-relevant fact requiring immediate disclosure.

The SIX Swiss Exchange Court of Arbitration reduced the fine imposed by the Sanctions Commission from CHF 3 million to CHF 2 million.



On 29 August 2016, UBS Inc. appealed the decision of the SIX Swiss Exchange Court of Arbitration to the Federal Supreme Court. The Federal Supreme Court did not occur the appeal, since both parties had waived their right to appeal in advance.

Should you have any questions, please feel free to contact Stephan Meier, Head Media Relations.

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SIX Exchange Regulation

SIX Exchange Regulation performs the functions assigned under Swiss federal law and enforces and monitors compliance with the rules laid down by the Regulatory Board. SIX Exchange Regulation imposes sanctions in so far as it is authorised to do so by the regulations, or submits sanction requests to SIX Swiss Exchange's Sanction Commission.

SIX Exchange Regulation's independence from SIX Swiss Exchange's operating business is guaranteed by its direct subordination to the Chairman of the Board of Directors of SIX Group. SIX Exchange Regulation consists of the divisions Listing & Enforcement, responsible for regulating issuers, and Surveillance & Enforcement monitoring trading.

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Sanction Commission

The Sanction Commission can impose sanctions in the case of violations of the Rule Books of SIX Swiss Exchange and SIX Structured Products Exchange, the Listing Rules and the Additional Rules. It is composed of between five and eleven members. The Chairman of the Sanction Commission and half of its members are elected by the Regulatory Board, with the remaining members appointed by the Board of Directors of SIX.

SIX

SIX operates the infrastructure underpinning the Swiss financial sector and offers a comprehensive range of services around the world in the fields of securities trading and settlement, financial information and payment transactions. The company is owned by its users (approximately 130 banks of various orientation and size). Its workforce of over 4,000 employees and presence in 25 countries throughout the world generated operating income of CHF 1.8 billion and a Group net profit of CHF 221.1 million in 2016.

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