

Violation of the requirements regarding access to the Exchange System

The Sanctions Commission has imposed a fine of CHF 100'000 on participant X with decision from 12 March 2020 since employees of Company X not registered with SIX Swiss Exchange made entries in the Exchange System. X failed to ensure, that personal Trader IDs were only given to other SIX registered traders and, furthermore, failed to ensure the traceability of proxies during calendar years 2017, 2018 and 2019.

The Audit Report 2018 of participant X revealed irregularities with regard to its access to the Exchange System of SIX Swiss Exchange as well as its practice regarding trader substitutions. The subsequent investigation by the Surveillance & Enforcement unit of SIX Exchange Regulation AG brought to light that X's trading system used to have shareable sessions operated by a trading desk, where traders at X had access to SIX Swiss Exchange and traders could submit orders independently by using the same order session/credentials irrespective of their individual SIX Swiss Exchange registration. X also confirmed that it did not keep records that can conclusively determine which individuals were operating the automated/algorithmic systems on a particular data/time, and that next to this there were no procedures in place for traders to give their trader ID to other registered traders for purposes of proxy and to trace proxies.

The Sanctions Commission considered, that consistent compliance with the rules for registering traders as well as traceability is essential, since it is the only way to ensure unequivocal accountability for entries made in the exchange system and that the identification of the person responsible for trades is an indispensable prerequisite for trade surveillance and, hence, for securing fair and transparent financial markets.

For further details please find the [anonymized sanction decision](#).