



Directive on Recognised Represen- tation

Directive Recognised Representation, DRR
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Basis: Art. 43 and 58a LR

I General provisions

Art. 1 Object

This Directive governs the concept of recognised representation, and in particular the registration, the rights and obligations of the recognised representation associated with the registration, the disciplinary measures, the recognised representation's Register, and the deregistration as a recognised representation.

Art. 2 Definitions

The following definitions apply in the context of this Directive:

1. **recognised representation:** An enterprise which fulfils the requirements set out in this Directive, which in particular employs at least one competent specialist, and which is registered with SIX Exchange Regulation AG ("SIX Exchange Regulation") as recognised representation.
2. **competent specialist:** A natural person who is registered as a competent specialist on the basis of a corresponding application made by a recognised representation at SIX Exchange Regulation.

Art. 3 Scope of applicability

This Directive shall apply to the legal relationship between the regulatory bodies for the SIX exchanges and the recognised representation.

See also:

- Regulatory Bodies Organisation Rules (RBOR)

Art. 4 General procedural principles

- ¹ The recognised representation shall be represented in the completion of its tasks vis-à-vis SIX Exchange Regulation by competent specialist(s).
- ² The recognised representation participating in proceedings is with regard to its activity under an obligation to cooperate with SIX Exchange Regulation. To this end, SIX Exchange Regulation may request the corresponding documents and information from the recognised representation, subject to compliance with legal confidentiality requirements.

II Registration as recognised representation

A Requirements for registration as a recognised representation

Art. 5 Requirements for registration as a recognised representation

The following points must be addressed and fulfilled in view of a registration as recognised representation:

1. information on the enterprise, specifically its (company) name, address, and area of operation;

2. availability of the necessary expertise, through employment of at least one competent specialist who has the skills necessary, in particular knowledge of the regulations, sufficient training and experience relating to the listing of securities on SIX Swiss Exchange Ltd ("SIX Swiss Exchange"), in order to support a transaction on SIX Swiss Exchange;
3. submission of the "Recognised Representation" declaration of consent;
4. nomination of a contact person who is responsible to SIX Exchange Regulation for matters concerning the legal relationship of the recognised representation. The contact person must be a competent specialist.

See also:

- "Recognised Representation" declaration of consent

Art. 6 Application

¹ Registration as a recognised representation is subject to a duly signed application from the enterprise concerned. The application must be submitted to SIX Exchange Regulation.

² The application must contain information on the requirements set out in Art. 5. Specifically, the application must set out:

1. which persons are registered as competent specialists;
2. which skills referred to in Art. 5 point 2 the relevant persons possess;
3. which of the following product areas the relevant person supports:
 - a) shares (incl. participation certificates and profit-sharing certificates), as well as global depository receipts;
 - b) collective investment schemes;
 - c) bonds;
 - d) derivatives;
 - e) exchange-traded products (ETPs);
4. which person is the contact person under Art. 5 point 4.

³ The application must be accompanied by an original "Recognised Representation" declaration of consent that is duly signed.

⁴ The right is reserved to request further documents and evidence, in particular with regard to a person's skills (e.g. transaction experience).

B Registration procedure

Art. 7 Review

SIX Exchange Regulation will review the application on the basis of the documents that have been submitted.

Art. 8 Decision

¹ SIX Exchange Regulation will approve the application for registration as a recognised representation if the requirements determined by the present Directive are fulfilled.

² Approval may be subject to further requirements or conditions.

³ The approval may be restricted to individual product areas (Art. 6 para. 2 point 3).

⁴ The decision of SIX Exchange Regulation will be communicated in writing.

Art. 9 Appeal

The recognised representation has ten trading days from service of the decision in which to lodge an appeal with the Regulatory Board against a decision by SIX Exchange Regulation concerning registration as a recognised representation. The appeal must be substantiated.

Art. 10 Registration

Entries in the register (registration) will be made once the decision on registration enters into legal force.

III Rights and obligations

Art. 11 Rights

Upon registration, the recognised representation is entitled to:

1. carry out the tasks reserved for the recognised representation under the regulations, in particular the submission of applications within the meaning of Art. 43 LR.
2. register other natural persons as competent specialists at SIX Exchange Regulation.

Art. 12 Obligations

¹ By registration, the recognised representation must ensure that:

1. it continually meets the requirements under Art. 5. The obligation to continuously train the competent specialists is the responsibility of the recognised representation.
2. the competent specialists acting on behalf of the recognised representation at all times exercise due care and act in good faith in their dealings with SIX Exchange Regulation.
3. the applications that are to be submitted by a recognised representation under the rules and regulations are duly signed by a competent specialist.
4. any changes concerning the following are reported immediately to SIX Exchange Regulation:
 - a) the enterprise (e.g. its (enterprise) name or address);
 - b) the responsible contact person;
 - c) a competent specialist (e.g. the end of the employment contract).

² On a yearly basis, the recognised representation must provide a list of all competent specialists acting on its behalf at SIX Exchange Regulation (with indication of the contact person in accordance with Art. 5 point 4), or whenever interim amendments are made thereto (Art. 12 para. 1 point 4 let. c).

³ The recognised representation must first submit a duly signed application for registration with SIX Exchange Regulation for persons who are to assume duties acting on behalf of SIX Exchange Regulation as competent specialists.

⁴ In accordance with Art. 12 para. 3, the application must contain the following information:

1. skills in accordance with Art. 5 point 2 which the relevant person possesses;
2. product area(s) which the person is to support (see Art. 6 para. 2 point 3).

⁵ SIX Exchange Regulation may decline an application or accept it subject to stipulations or conditions.

Art. 13 Advertising/marketing

Registration as a recognised representation and/or the entry as a competent specialist may not be used for intrusive advertising or marketing purposes.

IV Disciplinary proceedings and measures

Art. 14 Disciplinary measures

¹ Should there be any events or incidents in the context of the working relationship between SIX Exchange Regulation and the recognised representation that constitute a breach of obligations and/or give sufficient reason to assume that the recognised representation no longer fulfils the respective requirements for exercising their activities, SIX Exchange Regulation may take the disciplinary measures described in Art. 61 para. 1^{bis} LR.

² In taking disciplinary measures, the competent body shall take into consideration, in particular, the severity of the breach.

Art. 15 Disciplinary proceedings

¹ The provisions of the Rules of Procedures (RP) apply mutatis mutandis to disciplinary proceedings unless differing or additional rules are set out below.

² The public will not be informed of any disciplinary proceedings and disciplinary measures taken.

³ SIX Exchange Regulation will not conduct any formal preliminary investigation as part of disciplinary proceedings. The recognised representation continues to have the right to a legal hearing.

⁴ A disciplinary notice will be issued in place of a sanction notice. A proposal to the Regulatory Board will be made in place of a proposal to the Sanction Commission.

Art. 16 Appeal

The recognised representation has ten trading days from service of the substantiated disciplinary notice to lodge an appeal with the Regulatory Board against the ordering of disciplinary measures by SIX Exchange Regulation. The appeal must be substantiated.

V Register

Art. 17 Register

¹ SIX Exchange Regulation maintains a register of recognised representations and their competent specialists.

² SIX Exchange Regulation has the right to publish the recognised representation, along with their competent specialists, on its website.

VI Deregistration

Art. 18 By notice

¹ If a recognised representation wishes to be deregistered, it must submit notice to this effect to SIX Exchange Regulation.

² Once it has received the notice in question, SIX Exchange Regulation will remove the recognised representation from the register (deregistration).

³ The deregistration of a recognised representation also nullifies the representative power of the competent specialists that it registered.

Art. 19 Owing to disciplinary measures

If registration is withdrawn in the context of disciplinary proceedings, the recognised representation will be deregistered once the decision enters into legal force.

VII Final provisions

Art. 20 Fees

The recognised representation undertakes to pay the fees in accordance with List of Charges RegBod (LocRB).

Art. 21 Entry into force

This Directive enters into force on 2 May 2019 and replaces the Directive on the Recognition as Competent Issuers and Representatives of 1 October 2010.

Art. 22 Transitional provision

The recognised competent issuers and representatives in accordance with the Directive on recognition as competent issuers and representatives of 1 October 2010, meaning enterprises pursuant to Art. 2 point 1, must produce the duly signed "Recognised Representation" declaration of consent within 12 months of the entry into force of this Directive.