

Press release

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Contact:
Serkan Isik, Spokesperson
Phone +41 (0)31 327 95 59
serkan.isik@finma.ch

FINMA issues circular on rules of conduct under the FinSA

FINMA is setting out its supervisory practice on key aspects of interpretation in the new circular on the Financial Services Act FinSA. This will create transparency and legal certainty as well as a comparable level of investor protection among the supervised institutions. The circular will enter into force on 1 January 2025.

The circular on the rules of conduct under the FinSA provides information on the supervisory practice as regards informing clients so that they can make informed investment decisions. For example, clients should be informed about the type of financial service, the associated risks and the compensation received from third parties. The handling of conflicts of interest when using the bank's own financial instruments is also discussed.

The circular was discussed intensively during the consultation. Consumer protection organisations, some law firms, supervisory organisations, universities and other interested parties expressly welcomed the circular to clarify practical issues and to specify the rules of conduct under the FinSA. Banks, industry associations and other industry-related organisations and companies were generally opposed to a circular. FINMA went ahead with the circular nevertheless. It has responded to various points from the consultation and implemented them in the circular.

The circular will enter into force on 1 January 2025.