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New Fund Marketing Rules in Switzerland

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Although Switzerland is not a European Union (EU) country, it implemented new fund marketing rules effective as of March 1, 2013, which operate in parallel to the EU's Alternative Investment Fund Managers Directive rules, which now cover fund marketing in EU jurisdictions. Many non-Swiss managers (including many in the United States and the United Kingdom) have been eligible for a two-year transitional period, meaning that the new rules become fully effective as of March 1.

Non-Swiss managers who wish to continue marketing their funds in Switzerland from March 1, 2015 must assess their target market in Switzerland, since different rules will apply to marketing to different classes of investors in Switzerland. The rules are outlined below.

- If it is intended to market to Swiss pension funds, family offices, family trusts and other high net-worth individuals it will be necessary to ensure that new Swiss service providers (Swiss representative and paying agent) are appointed by those funds to be marketed in Switzerland.
- No changes need to be implemented if it is only intended to market to Swiss regulated qualified investors, including: Swiss authorized and Financial Market Supervisory Authority (FINMA)-regulated banks, securities dealers, fund managers or asset managers, insurance companies, or the Swiss central bank.
- If it is intended to market to Swiss retail investors, registration by the fund with FINMA will be required, as will the appointment of a Swiss representative and paying agent.

For more information on the new Swiss rules, please see Katten's January 2015 client briefing here.

For more information on the EU's AIFM Directive, please see Katten's October 2014 client briefing here.

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