

ARIF aims to be for non-banking financial intermediaries what the celebrated Swiss knife is for Switzerland's image: an undisputed, trustworthy authority, a byword for self-regulation.

The «swiss made» label is still very attractive despite the attacks on the Swiss financial centre and the ARIF Admissions Committee continues to admit new members.

Our Association must not only seek to abide by the rules and directives enacted by the Swiss legislature and FINMA, it must also ensure that the compliance activities of our members can be accomplished in a realistic economic framework :

1. The fee for joining ARIF has been suspended ;
2. The membership application documents to be submitted to ARIF have been simplified ;
3. The future member's in-house directives, code of deontology (CoD) and management mandates are examined and validated by the Swiss Anti-Money Laundering Act (AMLA) auditor who is already performing these checks as part of the annual auditing mandate given by the ARIF member. The examination of these documents by the Admissions Committee was often perceived as annoying administrative red tape at a time when the future member was not in control of all the issues associated with legal compliance. Indeed, the candidate's business was frequently not yet up and running ;
4. All the duplication between the ARIF Secretariat, the member and his/her auditor have been traced and removed: for example, the member and his/her auditor no longer need to certify that they have had the necessary training if this information is now managed directly by the Secretariat of the Association ;
5. With the exception of the copy of the criminal record, all the items in a member's personal application file can be submitted as ordinary copies that have been dated and signed. The member can therefore save the time and money previously spent on legalisation procedures ;
6. A candidate can be admitted within two weeks if his or her application file is complete ;
7. Any candidate in specific functional and financial circumstances is seen by a member of the committee or by our Director, Norberto BIRCHLER.



Guy Girod
Chairman of
the Admissions
Committee

This last point is important for two reasons :

- The aim is to protect all ARIF members from a commercial entity whose activities may perhaps not be irreproachable by preventing it from becoming a member ;
- The aim is also to protect the «swiss made» quality mark from those who intend to abuse it, and in the end damage the good reputation of our Association, and indirectly the good reputation of all its members and the whole of our financial centre.

We refuse applications from companies domiciled in Switzerland who use this quality mark abroad without having any financial activities in our country. We refuse companies when the activities of the in-house AMLA officer are not clear (... yes, it happens). ARIF requires the in-house AMLA officer to practise in the same place as the member's business operations in Switzerland. We sometimes intervene in order to explain the extent to which AMLA audit procedures can be performed through a delegation contract, an example of which is given on our website.

ARIF is a generalist self-regulatory body and as such also accepts a high proportion of independent wealth managers. Meeting the needs of a bureau de change or money transfer bureau is not the same as responding to the requirements of the independent wealth managers who comprise almost half of our membership. This range of professional activities enables ARIF to offer a variety of audit arrangements that, we dare to claim, satisfy the FINMA which considers our Association to be trustworthy.

Sometimes we hear it said that ARIF is picky. Not so, we are constantly adapting our directives (which must be fair but by no means excessive) to what is required by the FINMA.

In ARIF, the non-banking financial intermediary has a comprehensive professional organisation that fully meets FINMA requirements ... more than that is not ARIF's role ... less than that would jeopardise the position of our members vis-à-vis the Swiss authorities !

With regard to training, ARIF has become a quality mark implying knowledge acquisition of a kind intended to win the trust of the banks, of customers and above all, of the regulatory authorities. For some years, every basic or continuous professional development (AMLA or CoD) seminar has been attended by a growing proportion of non-members (bankers, fiduciaries, specialist auditors, legal experts, lawyers, insurers, ... and members of other self-regulatory bodies) who say they find that these seminars offer unrivalled value for money.

In conclusion: we are still able to assert that ARIF helps the Swiss financial centre to remain active and innovative - and remain a place that sets as a priority the quality of the services offered to its clients, who place their confidence in our members.

IMPRESSUM

Newsletter: 2 issues a year, distributed by electronic mail, hard copy if required.

Publisher: Association Romande des Intermédiaires Financiers (ARIF).

Editor-in-chief: Norberto BIRCHLER (General manager)

Editors: Members of the ARIF Committee

Devised by: Alain SAINT-SULPICE

Address: 8, rue de Rive - 1204 Geneva

Tel. +41.22.310.07.35 **Fax** +41.22.310.07.39

Training schedule 2013-2015

2013 - 2014

F	10 octobre 2013	CoD	13h30 - 17h30	Genève	Formation de base - CODE DE DEONTOLOGIE
E	28 November 2013	C	2 pm - 5 pm	Geneva	«International judicial assistance and PEPs»
F	12 décembre 2013	B	9h. - 17h.	Genève	Formation de base - LBA
F	22 janvier 2014	C	14h. - 17h.	Lausanne	«Nouveautés LBA depuis 2013 : conséquences pratiques»
E	13 February 2014	CoD	1:30 - 5:30pm	Geneva	Basic training - CODE OF DEONTOLOGY
I	5 marzo 2014	C	14 alle 17 ore	Lugano	Formazione continua (tema a definire) ◆
E	20 March 2014	B	9 am - 5 pm	Geneva	Basic training - MLA
D	3. April 2014	B	9 Uhr - 17 Uhr	Zürich	Grundausbildung - GwG
E	22 May 2014	C	2 pm - 5 pm	Geneva	«Terrorist financing»
F	18 juin 2014	C	14h. - 17h.	Lausanne	«Révisions LBA et CoD»

2014 - 2015

F	17 septembre 2014	B	9h. - 17h.	Lausanne	Formation de base - LBA
F	8 octobre 2014	CoD	13h30 - 17h30	Genève	Formation de base - CODE DE DEONTOLOGIE
F	20 novembre 2014	C	18h. - 21h.	Genève	«KYC en relation avec l'Amérique latine»
E	11 December 2014	B	9 am - 5 pm	Geneva	Basic training - MLA
F	4 février 2015	C	14h. - 17h.	Lausanne	Formation continue (thème à définir) ◆
D	18. März 2015	B	9 Uhr - 17 Uhr	Zürich	Grundausbildung - GwG
D	19. März 2015	C	9 Uhr - 12 Uhr	Zürich	Weiterausbildung (Thema zu definieren) ◆
E	23 April 2015	C	2 pm - 5 pm	Geneva	«MLA and Trusts»
E	7 May 2015	CoD	1:30 - 5:30pm	Geneva	Basic training - CODE OF DEONTOLOGY
F	21 mai 2015	C	14h. - 17h.	Genève	«Instruction pénale des affaires de blanchiment»
F	4 juin 2015	B	9h. - 17h.	Genève	Formation de base - LBA
F	25 juin 2015	C	14h. - 17h.	Genève	«Révisions LBA et CoD»

- F** in French
- D** in German
- E** in English
- I** in Italian

- B** MLA basic training
- C** MLA advanced training
- CoD** CoD basic training
- ◆ Theme to be defined



International judicial assistance and PEPs - 28 November 2013 -

Dario Zanni

Public prosecutor in Geneva specialized in economic criminality

Paul Gully-Hart

Partner in Schellenberg Wittmer where he heads the White-Collar Crime and Compliance Group

Julien Blanc

Partner in GVA Gautier, Vuille & Associés Law Firm and President of ARIF

Legal developments

Further development of the financial market strategy (FDF - 14.06.2013)

The Federal Council took due note of an initial report of the group of experts for the further development of the financial market strategy. The Federal Council is prepared to cooperate actively, within the scope of the OECD, on the development of a global standard for the automatic exchange of information to ensure the tax compliance of foreign asset management clients that satisfies the exacting requirements for compliance with the principle of speciality and data protection, guarantees reciprocity and incorporates reliable rules for determining the beneficial owners of entities of all legal forms, including trusts and domiciliary companies.

Revised «Guidelines on asset management» (FINMA - 27.06.2013)

The circular «Guidelines on asset management» (FINMA-Circ. 2009/1) defines the benchmark against which FINMA recognises as a minimum standard the rules of conduct of self-regulatory organisations active in the asset management industry (Code of Deontology of ARIF - CoD).

As a result of decisions made by the Federal Supreme Court on individual portfolio management and the revision of the Collective Investment Schemes Act, it was deemed necessary to make adjustments to the circular. This mainly concerned the duty of investigation (client's risk profile), information requirements (risk disclosure), due diligence obligations (updating the client's risk profile) and disclosure duty for retrocessions.

The revised circular entered into force on 1 July 2013. Professional organisations have up until the end of 2013 to adjust their rules of conduct.

FINMA signed cooperation arrangements with 28 EU and EEA states (FINMA - 16.07.2013)

Those arrangements regulate cooperation and the exchange of information for the supervision of alternative investment fund managers. The cooperation arrangements are one of the conditions whereby the management of European alternative investment funds can be delegated to Swiss asset managers, and the distribution of such funds to professional investors in EU member states is possible. The cooperation arrangements entered into force on 22 July 2013.

The cooperation arrangements include the exchange of information, cross-border on-site visits and mutual assistance in the enforcement of the respective supervisory laws. Cooperation will apply to Swiss alternative investment fund managers (AIFMs) who manage or market alternative investment funds (AIFs) in the EU, and to EU AIFMs who manage or market AIFs in Switzerland or distribute them to qualified investors. The arrangements also cover cooperation in the cross-border supervision of depositaries and AIFMs' delegates. The distribution of foreign funds to public investors in Switzerland is, however, not covered by these cooperation arrangements.

The cooperation arrangements enhance FINMA's supervision of cross-border activities in the fund business.

Latest ARIF statements

ARIF statement of 28.03.2013 concerning the Draft Financial Services Act (FSA)

Today the rules and minimum standards established by the Swiss regulator, and the close supervision to which self-regulatory organisations (SRO) are subject, all show that the AMLA model established by the legislators in 1998 has developed into a system of regulation dictated by the FINMA, in which supervision is delegated to the self-regulatory organisations who act as the authority's assistants; the power of the self-regulatory organisations to issue their own rules has been reduced.

Given this development, and in the interest of greater international credibility, ARIF considers it desirable to abandon the system of self-regulation in favour of a state-led form of regulation. The rules in that kind of system are established by the State whilst the supervision would be delegated to "delegated regulatory" or "delegated supervisory" bodies.

ARIF organised an extensive survey of its members on this question beforehand. The replies received a generally favourable view as far as the new principles are concerned. Supervision by the existing (self-regulatory) organisations is considered highly desirable because it ensures proximity and professionalism.

ARIF was the first to put forward the idea of moving from self-regulation to delegated supervision in its statement of 15.08.2012 concerning the prudential supervision of independent asset managers and the changes in the role of the self-regulatory organisations.

ARIF statement of 03.04.2013 concerning the partial revision of the FINMA guidelines on asset management

ARIF has communicated its remarks relating in particular to the information requirements and to retrocessions. Moreover, it regrets that the guidelines do not include a chapter on obligations in relation to cross-border due diligence. Some of the burden of cross-border due diligence is in fact transferred to the independent asset managers by the banks. In addition, from a prudential point of view, the inadequate compliance with foreign regulations by independent asset managers is likely to compromise their business and their solvency, as well as exposing their clients to considerable legal risks.

ARIF statement of 15.06.2013 concerning the revised FATF recommendations and Swiss financial centre strategy

ARIF has communicated its largely critical appraisal. The legislative package put out for consultation seems to be an excessive and poorly thought-out response to international pressure, aimed at introducing a generalised system of supervision and a climate of comprehensive suspicion. It would radically affect the foundations of economic life in Switzerland, the functioning of its enterprises, the client's relations with the State and the financial services, and the attractiveness of Switzerland to the big economic players.

See all the ARIF statements on its website : www.arif.ch/en/prises_de_position.htm

GM notice 2013

The 15th Annual General Meeting of ARIF will be held on Thursday, 7th of November 2013, from 5:30 pm, at the Swissôtel Métropole Geneva. The Meeting will be followed by a presentation of **Mr Stiliano Ordolli, Head of the Money Laundering Reporting Office Switzerland (MROS)**.

FATCA info from ARIF

The Foreign Account Tax Compliance Act (FATCA) requires foreign financial institutions (FFI) to register with the American tax authority (Internal Revenue Service, IRS), or even to sign an FFI contract with the IRS. At the same time, the American Treasury is endeavouring to sign bilateral agreements with the other jurisdictions, based in particular on the principle of the automatic exchange of intelligence.

Switzerland signed the FATCA agreement on 14.02.2013 and is at present drafting legislation to implement the provisions of the agreement.

Are you required to register with the IRS ? What is FATCA exactly ? Might it impact you as a professional ?

With a view to clarifying the situation as far as is possible, ARIF is organising an information meeting open to all financial intermediaries, whether members of ARIF or not, in order to present the known facts. ARIF has been able to obtain the participation of two tax experts for this presentation and they will talk to us about the regulatory developments and their practical consequences.



Séance d'information gratuite

18 septembre 2013 / 14h.-17h. / FER Genève, auditorium

Lunch Debates still going !

The first two ARIF Lunch Debates, on 13.05.2013 concerning the prospects and challenges of asset managers and on 09.09.2013 concerning FATCA, aroused the intense interest of the forty guests during their two meetings around the ARIF debating table.

The Lunch Debates, which were created with the aim of promoting synergies and discussion between finance professionals, are based on a practical and convivial lunch-seminar format dealing with topical themes and subjects of sectoral importance. The participants work in a wide variety of contexts: 39% are members of ARIF, 18% are bankers, 18% are FI who are not members of ARIF, 14% are lawyers and 11% are auditors. We look forward to seeing you among the guests at our next meetings. Forks at the ready !



New for the 2013 audit

At the request of the FINMA and in order to ensure a pragmatic risk-based approach, ARIF has created a new working document (WD 16) for members for whom money transfer is a primary or secondary business activity. The document, which may be completed jointly by the member and the auditor, is to be given to ARIF along with the other working documents; the aim is to better identify the structure and organisation of those members with a money transfer business in order to improve transparency and limit risk.

Some financial intermediaries use in-house companies for their own business requirements and for those of their clients. The role of these in-house companies can be very varied, ranging from rights-holding, the issuing of commercial documents and operating as a company body to acting as a trustee, serving as a contractual counterparty etc. A recent money-laundering affair reported by the media has shown that these in-house companies sometimes operate on the edges of the financial intermediary and not within its AMLA scope of supervision and auditing, which is illegal and opens the door to all sorts of abuse. This topic will be the subject of particular attention from now on and another WD is made available to the AMLA auditors this year to help them to deal with it (WD 15).



Soon available on the ARIF website



Next edition
March 2014