



foreign banks . in switzerland .

Regulation of remuneration schemes: what impact?

The financial market crisis has increased the pressure for more regulation and transparency in the financial sector remuneration. The schemes must prevent conflicts of interest. Certain international financial centres have already adopted a regulation, others are about to do so. However, no international standard develops.

In Switzerland the FINMA Circular summarises the criteria for defining variable remuneration: It must be determined in function of the business result and have a direct link to the risk exposure. It must be calculated keeping in mind the long term development and contain deferred payment. The final responsibility resides with the Board of Directors.

The Circular applies to the big banks from 1st January 2011. The FINMA considers its principles should be respected also by the small- and medium-sized banks. They will be part of the risk-based audit.

Jean-Pierre Cubizolle, CCT Group, will focus on the following points:

Best Market Practices

- Swiss regulation in comparison with the regulation of foreign financial centres;
- How does an internationally present bank align on different national regulations?

FINMA Circular

- Impact on internal procedures; advantages ensuing from the adoption of such principles;
- Implementation in a small entity (model document, Roundtable).

Benchmarking of existing structure with FINMA Circular

- The banks can participate in an assessment of their present remuneration system and benchmark it with the FINMA requirements. CCT has developed a questionnaire which is attached.
To participate in the benchmarking please complete the questionnaire and return it to e.guillemaud@cct.ch not later than **23 February 2010**. CCT will provide an evaluation within 24 hours.
The conclusions will be presented on the conference. Data will be treated with utmost confidentiality.

Salary Survey 2009

In a second part J-P Cubizolle will present the results of the 2009 edition of the CCT Salary Survey.

The Conference, which will be held in **English**, takes place as follows:

25 February 2010, 12.00-13.00 followed by buffet lunch
Centro di Studi Bancari, Vezia

To register please fax the completed form to **044 221 0029** not later than **23 February 2010**. Full no show fee for cancellations after that date. Participation costs **CHF 50.-** per person and is payable in **cash** at the doors.

Name:..... Email:.....

Bank:.....