

Finansinspektionen's Regulations

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Finansinspektionen's (The Swedish Financial and Supervisory Authority) General Guidelines regarding Reporting of Events of Material Significance;

decided 17 June 2005.

Finansinspektionen provides the following general guidelines.

Scope

1 § Through these general guidelines Finansinspektionen wishes to work for reporting by undertakings of such events as may jeopardise the stability of an undertaking or the protection of customer's assets.

2 § The general guidelines cover the operations of undertakings which are under the supervision of Finansinspektionen (hereinafter designated "Undertakings").

They shall not, however, apply to:

- undertakings in their operations pursuant to the Investment Funds Act (SFS 2004:46);
- financial institutions in accordance with the Obligation to Notify Certain Financial Operations Act (SFS 1996:1006); and
- deposit undertakings in accordance with the Deposit Taking Operations Act (SFS 2004:299).

Reporting to Finansinspektionen

3 § The occurrence of such events as stated in sections 4-6 should be reported to Finansinspektionen without delay. The report should be provided by the compliance function and contain the information stated in the *appendix*.

4 § An undertaking should report such events as may result in changes in financial circumstances which may have the consequence that the undertaking is unable to fulfil its obligations to customers.

5 § An undertaking should report:

- events which may result in significant financial damage to a large number of customers; and
- events which may result in significant badwill for the undertaking.

Events referred to include, for example:

- the fact that information provided in conjunction with customer transactions is erroneous or deficient;
- the fact that customer transactions are handled in an erroneous or deficient manner;
- the fact that errors arise in technical systems; or
- the fact that internal or external regulations are violated.

6 § Where an auditor takes such measures as stated in Chapter 10, sections 39 and 40 of the Companies Act (SFS 1975:1385), Finansinspektionen should be informed thereof immediately.

Guidelines for handling and reporting

7 § An undertaking's board of directors should adopt written guidelines regarding the handling and reporting of events of material significance.

Reports to police authority or prosecutor

8 § Upon suspicion of any crime, the undertaking should file a report with the police authority or prosecutor.

These general guidelines shall enter into force on 1 July 2005, whereupon Finansinspektionen's general guidelines regarding the Reporting of Events of Material Significance (FFFS 1999:7) shall be repealed.

INGRID BONDE

Alexandra Posacki

Appendix

1. State the undertaking's name and address.
2. State the undertaking's contact person, with name and telephone number.
3. Describe the event and circumstances concerning the discovery of the event.
4. Describe the measures taken by the undertaking as a consequence of the event.
5. Where possible, state whether the reporting relates to an event as described in sections 4, 5 or 6.
6. State the date and signature.