

FINMA Guidance 04/2025

Extension of transitional period for exchange of collateral in
certain OTC derivative transactions

9 October 2025

In OTC derivatives transactions not cleared via a central counterparty authorised or recognised by FINMA, there is a duty to exchange suitable collateral in accordance with Article 107 para. 1 in conjunction with Article 110 para. 1 of the Financial Market Infrastructure Act of 19 June 2015 (SR 958.1). Based on Article 131 para. 6 of the Financial Market Infrastructure Ordinance of 25 November 2016 (FinMIO; SR 958.11), FINMA has already extended the transitional period for the requirement to exchange collateral for certain non-centrally cleared OTC derivatives set out in Article 131 para. 5^{bis} FinMIO several times, most recently until 1 January 2026.¹ Options on individual equities, index options or similar equity derivatives such as derivatives on baskets of equities were affected by this extension of the transitional period.

Since then the EU's transitional period, the counterpart to the Swiss legislation, has been abolished and an indefinite exemption was introduced in accordance with Article 11 para. 3a Regulation (EU) No 648/2012.² However, a reintroduction of the collateral exchange requirement due to market developments is reserved. A similar transitional period to Switzerland's remains in force in the United Kingdom, but a long-term exemption is under discussion here too.

Based on these international developments and to avert disproportionate competitive disadvantages for Swiss derivatives traders, the transitional period needs to be extended again. Additionally, FINMA speaks out in favour of a regulatory solution during the FinMIA-Revision, which is in harmony with the stated international developments.

Therefore FINMA is **extending the transitional period specified in Article 131 para. 5^{bis} FinMIO to 1 January 2029.**

Supervised institutions active in derivatives trading have to comply with risk management requirements, which are applicable to them and in this context have to consider the risks, which stand to the trading of options on individual equities, index options or similar equity derivatives such as derivatives on baskets of equities

¹ FINMA Guidance 04/2019 of 13 December 2019, 09/2020 of 19 November 2020 and 09/2023 of 20 December 2023; see also the Ordinance of 18 June 2021 on the adaptation of federal law to developments in distributed ledger technology (AS 2021 400; available in German, French and Italian only).

² Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, OJ L 201 of 27 July 2012, pp. 1-59, last amended by Regulation (EU) 2024/2987 OJ L 2024/2987 from 4.12.2024.