## SWEDISH SECURITIES DEALERS ASSOCIATION

SVENSKA FONDHANDLAREFÖRENINGEN

2010-03-31

Committee of European Securities Regulators

## Response to the consultation paper "CESR proposal to extend major shareholding notifications to instruments of similar eceonomic effect to holding shares and entitlements to acuire shares, CESR/09-1215b

The Swedish Securities Dealers Association  $(SSDA)^1$  welcomes the opportunity to respond to CESR's consultation. On a general note, we find that instruments that create a similar economic effect to holding shares and entitlements to acquire shares should not be disclosed as part of major shareholding notifications. However - since national efforts have already been made in this area on a national level the rules (whatever we think of them as such) should be harmonized. Against that background we believe that CESR's overall approach to the topic is systematic and well-reasoned.

This response is limited to the questions concerning the exemptions for holdings held by banks and investment firms as a consequence of transactions with clients, questions 7-9.

Q7. Should there be a general disclosure of these instruments when referenced to shares, or should disclosure be limited to instruments that contractually do not preclude the possibility of giving access to voting rights (the 'safe harbor' approach)? Q8. Do you consider there is a need to apply existing TD exemptions to instruments of similar economic effect to holding shares and entitlements to acquire shares? Q9. Do you consider there is need for additional exemptions, such as those mentioned above or others?

<sup>&</sup>lt;sup>1</sup> SSDA represents the common interest of banks and investment-services-firms active on the securities market. The mission of SSDA is a sound, strong and efficient securities market in Sweden. SSDA promotes member's view in regards to regulatory, market and infrastructure-related issues. It also provides a neutral forum for discussing and exchanging views on matters which are of common interest to its members.

SSDA have a close cooperation with other trade associations in Sweden, in the Nordic area and in the UK. SSDA is also active on European arena via EFSA (European Forum of Securities Associations) and globally through ICSA (International Committee of Securities Associations). At the end of 2008, SSDA have 34 members and the members comprise of banks and investment services firms active in the Swedish securities industry.

We believe that there should be a general disclosure requirement, with the exemptions described in p. 62-67 in the consultation paper. The exemptions for client-serving transactions and for accounting purposes being crucial to make that approach possible to comply with for banks and investment firms.

The "safe harbor" approach would create an unnecessary administrative burden and impose legal expenses.

Lars Afrell Director