



## Compliance: Helping you to tick the boxes SEC rule 22-C-2.

The financial industry is facing many challenges; one of them is compliance with complex international directives and regulations. With its comprehensive, high-quality, global data offering, SIX Financial Information supports financial market players to be compliant.



### **What do I need to know about SEC rule 22-C-2 and who is affected by it?**

With the SEC rule 22-C-2 imposed by the US Securities and Exchange Commission, institutions in the United States of America offering funds can impose an additional redemption commission of up to 2% of the settlement amount, provided that the relevant fund units are held below a certain period. These commissions can be retained by the fund for covering the costs resulting from the investors' short-term trading strategies. This rule also aims at reducing speculations with investment funds. Investors are entitled to choose whether or not they want to go with a minimum period, in which case the additional commission would be obsolete.

### **How does SIX Financial Information help you to be compliant?**

SIX Financial Information has marked the 22,000 investment funds affected. Customers working with SIX Financial Information data therefore benefit from consistent data that is marked clearly in terms of its SEC rule 22-C-2 relevance.



## SIX Financial Information Data Offering

### What data does SIX Financial Information offer for SEC-Rule 22-C-2?

The data offered by SIX Financial Information regarding SEC-Rule 22-C-2 includes the following attributes:

#### – Regulation name

The SEC rule 22-C-2 information will be reported under “Reporting/Regulation Name”. All instruments concerned are marked with this name.

#### – Regulation applicability

The Reporting/Regulation applicability 1 “liable/applicable” is reported if the relevant instrument is subject to the SEC rule 22-C-2 and additional redemption commissions are imposed by the offering institution when the units are held below a certain period.

The Reporting/Regulation applicability 3 “exempt/not liable/applicable” is reported if the relevant instrument is subject to the SEC rule 22-C-2 but when no additional redemption commission is imposed for the relevant period.

#### – Regulation object

The SEC rule 22-C-2 concerns only purchase and sale transactions. Therefore, code 4 “Transaction” is reported in a specific element.

#### – Periods

General provisions regarding periods in the context of market timing regulations as defined by the issuer or fund company. The type of period is also further defined (Account Block Duration, Days Held Before Exchange, Days between Roundtrips, Maximum Roundtrips Timeframe).

#### – Roundtrip information

“Roundtrip” is defined as the full cycle from purchasing through to redeeming fund shares. The “Roundtrip Information” attribute reports general Market Timing provisions as defined by the issuer/ fund company which have to be taken into account by the investor with regard to the permitted number of “Roundtrips”.

#### – Amount/Commissions

“Amount” reports amounts, e.g. the redemption amount, in percentage terms which must be paid by the investor as an additional commission.

### SIX Financial Information supports you to achieve compliance with its high-quality, global data offering:

- Know which data is relevant in terms of regulatory compliance.
- Get a quick and easy overview of all instruments affected and see how your clients are impacted by SEC-Rule 22-C-2.
- Base your analyses on consistent, reliable data from SIX Financial Information’s high-quality data pool.
- Stay up-to-date on all SEC rules relevant for the financial industry.

For more information, please contact your local SIX Financial Information office and a representative will be happy to assist you.

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