SWISSCOMPLY

Regulatory Update

Topic	**FINMA-Guidance 03/2026 – Risks of using products in individual asset management (June 2026)**
Content	On 3 June 2026, FINMA published Guidance 03/2026. The reason for this is a marked increase in the number of escalated cases among asset managers under Art. 17 FinIA due to deficiencies to FINMA: 68 escalation cases were opened in 2025 (2024: 34; 2023: 9), some with significant client losses in the double- to three-digit million range. The communication identifies recurring risk patterns and recalls the applicable requirements. FINMA identifies three main categories: (i) the use of complex, high-risk or illiquid products (in particular foreign funds without equivalent supervision, actively managed certificates, products of unregulated issuing or structuring companies) without sufficient suitability testing; (ii) insufficient measures to avoid conflicts of interest when using its own products, non-transparent double fees and a lack of objective product selection processes; (iii) outsourcing of control functions (risk management, compliance) to external service providers, resulting in standardised rather than individual controls and unclear responsibilities. The Guidance specifies the requirements on three levels: Under FinSA, the suitability test (Art. 12 FinSA, Art. 16–17 FinSO) and conflict of interest management (Art. 25 FinSA, Art. 24–28 FinSO) must be implemented consistently. Under FinIA, risk management must cover all material portfolio risks, including concentration, liquidity and valuation risks, as well as product-specific due diligence (Art. 12 para. 4 FinIO). In the event of outsourcing control functions, responsibility remains with the institution; the latter must be able to monitor and control the outsourced activities at all times (Art. 16–17 FinIO).
Source	FINMA-Guidance 03/2026
Entry into force	The Guidance was published on 3 June 2026. It is not a new law, but a binding clarification of expectations by FINMA; the requirements specified therein apply with immediate effect.
Types of institutions affected	The primary addressees are asset managers licensed under Art. 17 FinIA. The communication also expressly applies to managers of collective assets (Art. 24 FinIA), fund management companies (Art. 32 FinIA), securities firms (Art.

	41 FinIA), banks under the Banking Act, as well as insurance companies to the extent that they provide individual portfolio management services.
Legal reference	--
Need for action	In our assessment, the Guidance gives rise to a greater or lesser need for action on the part of various asset managers. Our experts have already analysed the requirements and are currently working on practical solutions. Your mandate leader will contact you as soon as possible.
Implementation deadline	--