

KEY CHANGES TO SWISS ANTI-MONEY LAUNDERING RULES FOR BANKS

On 30 October 2026, the Swiss Bankers Association ("SBA") adopted the new Code of Conduct with regard to the Exercise of Due Diligence (CDB 27) along with its amended Commentary. It enters into force on 1 January 2027, at the same time as the revised FINMA Anti-Money Laundering Ordinance (AMLO-FINMA) published on 10 November 2026. While changes are limited, the CDB 27 further specifies AML requirements for banks: a broader test for controlling persons, a narrower exemption for financial intermediary clients, a 60-day benchmark for repeating due diligence, rules on Transparency Register discrepancies and updated Forms K, S and T. We outline the key revisions and highlight what banks should do now to ensure timely compliance.

2027 AML PACKAGE

The amended CDB will enter into force on 1 January 2027, subject to a four-month transition period, after which it will apply to the opening of all new client relationships.

The self-regulatory act sets minimum standards for banks in relation to verifying the identity of contracting parties and identifying controlling persons and beneficial owners. The revision considers various legal and regulatory developments, the requirements of the Financial Action Task Force ("**FATF**"), the case law of the CDB Supervisory Board and digital processes that have been introduced or have evolved since the last revision dating back to 2018.

CDB 27 is part of a broader package. On 10 November 2026, FINMA published the partially revised FINMA Anti-Money Laundering Ordinance (AMLO-FINMA) and (again) recognised the CDB 27 as a minimum standard. The revised AMLO-FINMA will also come into force on 1 January 2027. The revision implements amendments to the Anti-Money Laundering Act (AMLA) and addresses the most recent comments of FATF ahead of Switzerland's upcoming mutual evaluation in 2027. It follows the enactment of two federal acts which were adopted by the Swiss Parliament on 26 September 2025 and have been in force since 1 October 2026, i.e., the latest revision of the AMLA and the new Federal Act on the Transparency of Legal Entities and the Identification of Beneficial Owners (TLPA; German: *TJPG*; French: *LTPM*).

ADVISERS NOW SUBJECT TO THE AMLA

CDB 27 now expressly applies to advisory activities performed by banks (art. 2 para. 3 CDB).

This change follows on from the revision of the AMLA: as from 1 October 2026, the law also applies to a defined category of "advisers" (art. 2 para. 1 let. c AMLA). These are persons who on a professional basis assist with certain financial transactions, in particular relating to real estate or to so-called non-operating legal entities (art. 2 para. 3bis AMLA). Advisers, like financial intermediaries, must verify the client's identity, identify the beneficial owner and keep records (art. 8*b* AMLA). Banks and other financial intermediaries already supervised by FINMA do not need separately to join a self-regulatory organisation for their advisory activities. They must, however, notify FINMA of their activity as advisers: institutions acting as advisers on 1 October 2026 must do so by 1 December 2026. Where an activity qualifies both as financial intermediation and as advisory as per the above definition, the rules for financial intermediaries prevail (art. 2*b* AMLA).

THE NEW TRANSPARENCY REGISTER

The TLPA creates a register of the beneficial owners of legal entities, the Transparency Register, maintained by the Federal Office of Justice (arts. 1 and 20 TLPA). Its aim is to give authorities rapid and efficient access to accurate, complete and up-to-date information on the identity of the individuals behind a legal entity or trust (art. 1 para. 3 TLPA). Foreign legal entities are also captured where, for example, they are effectively managed in Switzerland or own Swiss real estate (art. 2 para. 1

let. b TLPA). A Control Authority within the Federal Department of Finance verifies entries on a risk-based approach (arts. 35 and 39 TLPA). For banks, the register is a new source of information rather than a new obligation to identify, and the CDB 27 addresses the handling of discrepancies between the register and the bank's own records.

Legal entities must identify and verify the identity of their beneficial owners and report them to the Transparency Register (arts. 7 and 9 TLPA). The register is not public, but financial intermediaries and advisers have access to it to the extent needed for their AMLA due diligence, and each access is logged (arts. 27 and 29 para. 2 TLPA). The register does not replace the bank's own review: this remains governed by the AMLA, and a bank may rely on register entries only where its review, carried out with appropriate diligence, reveals nothing to the contrary (art. 23 para. 2 TLPA). Entries in the Transparency Register are of a declaratory nature only (art. 23 para. 1 TLPA).

The TLPA also introduces discrepancy reporting (art. 30 TLPA). A bank that finds a discrepancy raising doubts as to whether the beneficial owner information is accurate, complete and up-to-date must first contact the client and allow a reasonable time for correction. If the discrepancy remains, the bank must report it to the Transparency Register within 30 days, citing standardised grounds. Good-faith reports cannot be prosecuted as a breach of professional secrecy and will not give rise to contractual liability. The register entry is then annotated (art. 34 TLPA). This reporting duty will apply six months after entry into force of the TLPA, i.e. from 1 April 2027 (art. 54 para. 1 TLPA). Where a company is not yet entered on the register and confirms that it benefits from the two-year filing period under art. 51 para. 2 TLPA, no discrepancy report is required until that period has expired (art. 54 para. 2 TLPA). The new CDB 27 provisions on register discrepancies (arts. 45 and 46 CDB) sit alongside the statutory requirements of the TLPA.

THE REVISED AMLO-FINMA

With respect to banks, the AMLO-FINMA revision mainly codifies existing FINMA practice. It nevertheless expressly sets out the following points:

- **Ownership and control structure**: Financial intermediaries must understand the ownership and control structure of every contracting party (new art. 9*b*). The rule complements the existing rules on domiciliary companies and complex structures (arts. 9*a* and 13 para. 2 let. h). The extent of the clarifications is risk-based: the more complex the structure, the deeper the review to be undertaken. The clarifications must be documented; for complex structures, a chart of the entities and persons involved may be appropriate.
- **Doubts about the controlling person**: Where the actual control over a company by the persons identified is doubtful, the bank must determine in another way who has control (art. 56 para. 2). This mirrors the repetition duty under art. 46 CDB.
- **Sanctions**: The purpose of the ordinance now includes the prevention of breaches of coercive measures under the Embargo Act (art. 1 para. 1). Pursuant to a new art. 30 of the AMLO-FINMA, the AML organisational rules are applicable by analogy to sanctions. For banks, this means automated sanctions screening of relationships and transactions, covering both outgoing and incoming payments.
- **Correspondent banking**: In a correspondent banking relationship, one bank (the correspondent) provides services such as payments or currency exchange to another bank (the respondent). In addition to the clarifications, the correspondent bank must clarify the respondent's anti-money laundering controls; the scope depends, among other things, on whether the respondent is adequately supervised and regulated (art. 37 para. 3). The words "depending on the circumstances" originally used in this provision have been deleted, so that these clarifications are now always required; their scope remains risk-based. Payments for a respondent's clients with direct access to the correspondent account (payable-through accounts) are allowed only if the respondent has met its due diligence duties and can provide the relevant documents on request (art. 37 para. 5). Following the consultation, FINMA clarified that this applies only to clients with direct access.
- **Sub-accounts**: A declaration on the beneficial owner must always be obtained, even for sub-accounts held for individual clients (art. 65 para. 2 let. d).
- **Liechtenstein**: Art. 10 para. 3, under which payments to and from Liechtenstein could be handled with a reduced data set, is repealed as obsolete; such payments already carry the full data set.

KEY ELEMENTS OF THE CDB 27 BY COMPARISON TO ITS PREDECESSOR

ONGOING DUE DILIGENCE AND REPETITION

Pursuant to the CDB, where a contracting party of a bank is itself an adequately supervised bank or other financial intermediary, the bank need not identify the contracting party's controlling persons nor the beneficial owners of the assets (arts. 24 and 33). Under CDB 20, the exemption fell away only for the beneficial owner declaration, namely in case of indications of misuse or where FINMA or the SBA had issued general warnings about certain institutions or countries. Under CDB 27, it falls away for both declarations where such warnings exist or where there are suspicions of money laundering or terrorist financing (arts. 24 para. 3 and 33 para. 3). In addition, foreign financial intermediaries must now always provide a beneficial owner declaration where they maintain sub-accounts for individual clients, irrespective of their supervision (art. 33 para. 2).

The CDB rules on repeating due diligence have also been refined. Where doubts that cannot be resolved through enquiries arise, the bank must repeat due diligence (art. 46 para. 1). If this cannot be completed within a reasonable period, which the CDB 27 Commentary sets at 60 days, the bank takes and documents a risk-based decision on how to proceed (art. 46 para. 2).

New rules address discrepancies with the Transparency Register: a discrepancy neither prevents use of the account nor

requires due diligence to be repeated, provided the bank has no doubts about its own data (arts. 45 para. 2 and 46 para. 4).

As a formal matter, forms may now be received electronically and kept as digital copies (art. 44 paras. 4 and 5).

SCOPE AND DEFINITIONS

CDB 27 now contains a catalogue of key definitions (art. 2 para. 4). Under CDB 20, most of these were found only in the Commentary. Advisory activities, which fall under the AMLA as from 1 October 2026, are expressly mentioned (art. 2 para. 3). Lending, previously covered by the practice of the CDB Supervisory Board, is now expressly in scope where the bank has a direct contractual relationship with the borrower (art. 4 para. 2 let. h).

IDENTIFICATION AND FORMS

The CDB requires banks to document the identity of controlling persons and beneficial owners on standard forms, which the contracting party signs: Form A for ascertaining the beneficial owners of assets, Form K for controlling persons of operating legal entities and partnerships, and Forms S and T for foundations and trusts, respectively. For operating legal entities, a holding of 25% or more no longer ends the enquiry: where the persons holding 25% or more of the voting rights or capital do not control the company, or where there are indications that control is exercised otherwise, the bank must establish the natural persons who control it by other discernible means (art. 20 para. 3). According to the Commentary, this does not entail a duty to investigate proactively; obvious indications are decisive. Form K must now record the place and country of domicile of controlling persons, together with their date of birth and nationality (art. 21). CDB 20 required only the effective address and country. Revised Forms S and T keep the same data set as under the CDB 20 but will include a new declaration on who represents the structure. Form S must now in principle also be obtained for non-operating foundations with a non-commercial purpose; where the purpose is exclusively non-commercial, information on the founder and the beneficiaries may be omitted in justified exceptional cases (art. 40 paras. 1 and 2). Where the contracting party is an underlying company of a trust rather than the trustee itself, Form T now also requires the separate indication of the trustee's name, address, date of birth and nationality, to close gaps in the documentation.

In line with the AMLO-FINMA, CDB 27 now also lists money and value transfers: the identity of the contracting partner must now also be verified for such transfers from abroad into Switzerland above CHF 1,000 and for such transactions from Switzerland going abroad where there is no business relationship (art. 4 para. 2 let. i). The reference to higher-risk countries has been deleted for systematic reasons: country risk, and the measures in elevated risk environments more generally, are governed by statutory anti-money laundering legislation, not by the self-regulatory CDB. Banks' obligations regarding higher-risk countries are therefore unaffected.

SPECIAL CASES AND EXEMPTIONS

CDB 27 now sets out how the identity of condominium owner and common ownership collectives is verified (art. 18 para. 2). It also covers persons under deputyship (art. 18 para. 1 let. b) and exempts rental surety and capital deposit accounts from the establishment of controlling persons and beneficial owners (arts. 26 and 35). Corporate trustees are exempt from the obligation to provide a written declaration of their controlling persons if they are adequately supervised for AML purposes (art. 25 para. 3).

PROCEDURE

The examples of misleading attestations in art. 55 let. c CDB 27 now include making accounts or, according to the Commentary, safe deposit boxes in the bank's name available to clients in order to circumvent any legal requirement, no longer only tax obligations.

AML RISK POINTS

Several CDB 27 provisions go beyond formal identification and directly shape banks' AML risk management.

- **Indications of money laundering**: Where there are grounds for suspecting that assets derive from a source under art. 9 para. 1 AMLA, identity must be verified regardless of the thresholds and exceptions (art. 6 para. 2).
- **Doubts and register discrepancies**: Unresolved doubts trigger the repetition duty and, failing completion within the 60 days set by the CDB 27 Commentary, a documented risk-based decision (art. 46 paras. 1 and 2), while a register discrepancy alone does not, provided the bank has no doubts about its own data (arts. 45 para. 2 and 46 para. 4). The register does not reduce the bank's own duties.
- **Exit**: Where termination is required under art. 46 para. 5, it covers, according to the Commentary and the practice of the CDB Supervisory Board, all business relationships with the contracting partner, not only the one that gave rise to the doubt.
- **Form K as a screening tool**: Date of birth and nationality improve name and sanctions screening and support the duty to understand ownership and control structures. The CDB forms state that a contracting partner who wilfully provides false information commits forgery of a document under art. 251 of the Swiss Criminal Code (SCC); for Form A, this is established Federal Supreme Court case law.
- **Criminal exposure**: In a milestone judgment 6B_942/2024 of 13 April 2026, the Swiss Federal Supreme Court confirmed that the CDB binds criminal courts and that unresolved doubts on the beneficial owner under art. 46 CDB can lead to criminal prosecution under art. 305ter SCC.

ENFORCEMENT UNDER CDB 27

The sanctions regime is largely carried over from CDB 20, with useful clarifications in the Commentary:

- **Penalty**: Up to CHF 10 million, based on the gravity of the breach, the degree of fault and the bank's financial situation. Measures taken by other authorities in the same case are also taken into account (art. 62 para. 1).
- **Intent required**: Breaches of the rules on repeating due diligence (art. 46), the prohibition on actively assisting capital flight (arts. 47 to 52) and the prohibition on the issuance of misleading attestations (arts. 53 to 55) are sanctioned only if committed with intent (art. 62 para. 2).
- **Minor cases**: Closed without sanction if the CDB's purpose was achieved; according to the Commentary, systematic failures do not qualify. A new example covers cases where the client's overall situation provides all necessary information (art. 61 let. f).
- **Limitation period**: Five years, suspended during proceedings (art. 63). An error discovered later and left uncorrected is a new breach.
- **Self-reporting**: Where the facts are clear, a bank may self-report and request a summary procedure (art. 60).

In our view, prompt remediation is key to limiting exposure; whether to self-report should be assessed case by case.

TRANSITION PERIOD: FOUR MONTHS TO COMPLY

The CDB 27 provides for a four-month transition period starting on 1 January 2027 (art. 68 para. 1). After the four-month transition period, CDB 27 applies in three situations:

- new business relationships;
- repetition of due diligence under art. 46 (art. 68 para. 2); and
- according to the Commentary, updates of data or forms following a change in circumstances.

Subject to the above, existing forms for current business relationships do not need to be replaced (art. 68 para. 3).

OUTLOOK: WHAT BANKS SHOULD DO NOW

The CDB 27 is to a large extent an evolution of the CDB 20, but its AML angle is striking. With Switzerland's upcoming FATF evaluation in 2027 and the Federal Supreme Court's confirmation that relationship managers and members of management are personally exposed to criminal liability, we expect closer scrutiny of KYC files. Banks should now:

- clearly document their understanding of the ownership and control structure of each client, on a risk-based approach (art. 9b AMLO-FINMA);
- review their process for establishing controlling persons so that control by other means is clarified where indicated (art. 20 para. 3 CDB 27);
- integrate sanctions screening into their AML framework, including directives approved by the board or senior management, the AML compliance function and training (art. 30 AMLO-FINMA);
- review their correspondent banking and sub-account relationships against the new art. 37 para. 5 and art. 65 para. 2 let. d AMLO-FINMA;
- implement a workflow for repeating due diligence within the 60 days indicated by the Commentary and, where required, for exit (art. 46 CDB 27);
- document plausibility checks on beneficial ownership and source of funds beyond Form A;
- adopt a procedure to handle discrepancies with the Transparency Register, including client clarification and the 30-day reporting duty under art. 30 TLPA;
- update their template Forms K, S and T and the related data fields;
- identify relationships where events after the transition period will trigger the new Form K data or the Form S declaration for non-operating foundations; and
- train front office and compliance staff on the new framework.

In short, the transition period is the window to get KYC files in order.

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