

Termination of the FINMA procedure

FINMA, the Swiss Financial Market Supervisory Authority, has now completed its proceedings concerning the involvement of PKB Privatbank SA in the Brazilian case “Lava Jato” and has issued its decision to the satisfaction of the bank.

FINMA's decision provides for the restitution of an amount of CHF 1'330'000.-, corresponding to a portion of the revenues received by the bank in servicing account relationships that turned out to be questionable. No restrictions on the activity of the bank were raised.

It should be noted that numerous Swiss and foreign banks have also been involved in this case and that the facts took place several years ago. For PKB, whose trust was abused by a deceitful employee, this case represents a first as the bank has always adhered to the highest standards of conduct.

In 2014, as part of its regular control activities, PKB identified facts until then unknown of the Lava Jato case. The bank was the first to report them to the competent Swiss authorities with whom, including Finma, it then actively cooperated. Since then the bank has also taken a number of measures to bolster its procedures; all these actions have been recognized and appreciated by such authorities. In a spirit of full collaboration, the bank then communicated the facts to the Office of the Attorney General of Switzerland so as to definitively close this procedure.

FINMA's decisions will have no impact on the smooth functioning of the bank. The costs of the procedure have been provisioned in the accounts 2017 and PKB has a level of equity (Tier 1 Capital Ratio) of approximately 24%, which is significantly higher than what is legally required.

PKB Privatbank SA specialises in private banking. It operates from five Swiss offices, in Lugano (headquarters), Bellinzona, Geneva, Lausanne and Zurich, as well as from its affiliate PKB Banca Privada (Panama). The PKB Group, including Cassa Lombarda in which PKB holds 99.5%, manages assets of over CHF 13 billion. PKB's Tier 1 Capital Ratio reaches approximately 24%, while group-level equity is more than double that required by Swiss law.

Contacts

PKB Privatbank SA
Marketing & Communication
Tel.: +41 91 913 35 35
E-mail: marketing-com@pkb.ch

Pascal Dubey
Tel.: +41 76 556 30 85
Email: pascal.dubey@pkb.ch