

ISIN Quality Management

1. Quality Criteria

1.1. Accuracy:

For all financial instrument the ISIN record as defined in the ISO 6166 standard should reflect the information originated from the company prospectus, term sheet or any other authenticated data source. This data should also be used to derive the CFI code ISO 10962 which should be allocated at the same time as the ISIN.

It is essential that only accurate data is displayed in the ASB and NNAs should ensure that incorrect data is amended immediately. Should it not be possible to correct the data the NNA should ensure that it is removed from the ASB product until such time as the correction has been made.

1.2. Timeliness:

The ISIN and CFI allocated by the NNA should be made available to the users within the time frame required for the daily trade and settlement cycles in the market(s) those ISINs and CFIs are used in. In principle, ISINs and CFIs should be allocated and published prior to the first trading session of the concerned issues. Where the ISIN and CFI is assigned following a NNA's or customer's request, the ISIN data should whenever possible be available in the ASB-system on the same day or in any case not later than 24 hours following the receipt of the request (exceptions may apply in certain circumstances).

1.3. Completeness:

The ISIN data provided upon first input should at a minimum cover the mandatory fields of the ISIN record. Where an ISIN record is issued with an incomplete status, the missing data should be procured actively and made available in a timely manner (within 24 hours upon reception of the notice by ASB operators).

1.4. Coverage:

The jurisdiction of an NNA comprises all existing financial instruments as listed in the current version of the ISO-standard 6166, notwithstanding whether they are listed, traded or not. ISINs for traded securities should be allocated by all NNAs spontaneously, i.e. without waiting on any user request. This implies an active daily check of the newly listed instruments in the NNA's jurisdiction.

2. Human Resources

The following resources are involved in the daily quality management process:

2.1. NNA Input staff (Operational):

2.1.1. Skills:

Each NNA should nominate at least one responsible employee as well as a deputy, who should be able to deal with requests from other NNAs or the ASB.

Such employees should have a complete knowledge of the securities business and of the ISO-standard 6166 and the ANNA guidelines.

2.1.2. Working hours:

The business staff of the NNA should be available at least during the usual local opening hours of the company to answer requests and questions from NNAs and/or the ASB.

2.2. NNA operations:

The NNA operations should work according to their usual security and process quality principles. The NNA is fully responsible for the daily and timely file transmissions to the ASB. It was agreed and is therefore enforceable among all NNAs that files have to be sent on a daily basis regardless of whether they have content or not (in order to keep track of the file sequence numbers of each NNA). If a file has not been received by the ASB, a second transmission should be made by the responsible NNA on the same day. If operational or technical problems prevent the NNA to contribute the data within the agreed timeframe, the ASB has to be notified proactively.

The NNA should keep the historical data during a minimum period of 10 years for equity and debt securities, as well as for entitlements. Options and futures data should be kept during a minimum period of 1 year. This is necessary as a 3rd-level data backup.

2.3. ASB operations

The ASB daily business is carried on under the supervision of two Executive Directors located with Standard & Poor's in New York and SIX Telekurs in Zurich respectively. The two Directors are jointly responsible for the quality of the ASB process, i.e. collecting, processing and distribution of the ISIN daily files.

The ASB staff conducts the daily operations in accordance with the provisions of the Service Level Licence Agreement.

The NNAs are connected to the server located in Zurich or the one located in New York according to the agreed geographical repartition. If one of the two systems is down, NNAs should be provided access to the other server to retrieve the ISIN data.

2.4. ASB Executive Director

- Process Quality: review statistics of file transmissions by NNAs, report to AB. Issues with delivery of flawed data on a broader scale shall be reported to the AB immediately.
- Data Quality: acquire "bad ISINs"-statistics from the customer support and work out periodic reports.
- Service quality: be the focal point for customer problems on the service and product side (not the daily data side, i.e. technical, product related and licencing questions/problems)
- Manage new memberships (new customer, new NNA) with regards to upload of initial masterfiles as well as updates on new, amended or deleted ISIN records.

3. Processes

◆ ISIN allocation:

ISIN request: The ASB system will provide a facility to send requests to NNAs. This facility will be available for any user of the ASB. Mandatory fields will have to be filled in order to trigger an ISIN-allocation. Otherwise the request will be rejected.

- ISIN allocation by NNAs : According to ISO-6166
- ISIN allocation by substitute agencies : According to ISO-6166
- ISIN allocation by ASB: for all other cases, i.e. where nobody feels responsible for the assignment, or missing ISINs, when urgently needed.

◆ **ISIN-files gathering:**

The ISIN-files must be delivered to the ASB according to the ASB-specifications, it means that header, trailer and mandatory fields (including appropriate spacings) must be available and the file-name is compliant with the naming convention defined in the said specifications. Each file is transmitted with a sequence-number. The ASB will daily check if any gap is occurring in the file sequence numbers.

- ◆ **ISIN distribution:** this process is described in the ASB technical specifications document.

◆ **ASB Software Release Process**

1. S&P and SIX Telekurs provide each-other a list of planned changes.
2. S&P and SIX Telekurs submit the consolidated list of changes to the ANNA Advisory Board members for approval. The change description must specify whether the change has an impact on the NNAs directly and on their associated ISIN fields.
3. S&P and SIX Telekurs agree on production cutover target date.
4. S&P and SIX Telekurs Customer Support prepare NNA and customer briefing plans and announcement letter.
5. S&P provides Release Notes and Test Cases to SIX Telekurs for testing new releases at SIX Telekurs.
6. SIX Telekurs USA and ASB Customer Support in Zurich review the Release Notes and Test Cases and prepare a project plan for moving the new release into production.
7. S&P and SIX Telekurs distribute the Release Notes in their respective jurisdiction in a timely synchronized manner.
8. SIX Telekurs and S&P complete testing of the new release.
9. S&P and SIX Telekurs do a synchronized cutover of the new release.

4. Customer's support

▪ **First Level Support:**

The first level support will be provided by the responsible NNA, i.e. the contact point for any user will remain the local numbering agency, or the substitute agency where no numbering agency is available.

The numbering agency will deal with all questions, requests and complaints its local users may have.

The users are in this matter defined as being end-users and institutional users. Matters raised by data vendors will be addressed directly to the ANNA Service Bureau.

- **Second Level Support:**

The second level support will be provided by the ANNA Service Bureau. The beneficiaries of the second level support are primarily the numbering agencies and the data vendors for:

- NNAs may encounter problems or have questions relating to the daily file transmissions.
- NNAs may have problems or ask questions relating to the retrieval of the ISIN data from the Web/FTP-Server.
- Data vendors and/or numbering agencies may have difficulties in getting single or ranges of ISINs (either because the responsible NNA refuses the allocation, or it is not clear who should be responsible for the allocation). In case the problem cannot be solved within 24 hours, the ISINs should be allocated by the ASB. The substitute allocation should be undertaken by S&P for the Americas and at the SIX Telekurs regional locations (headquarters and subsidiaries) for the rest of the world.

5. ASB Reporting

In order to allow prompt measure to be taken and potential improvements to be discussed by the ASB Advisory Board, the ASB will issue monthly reports including statistics as follows:

- Monthly ISIN Totals
- ISINs by NNA
- ISINs submitted and failed percentage
- Overview on ASB implementation by member

This reports should be regularly evaluated by the ASB advisory board members and lead to the maintenance of a high quality process and data level.

6. Further reference to other documents governing ANNA

The Letter of Understanding regarding Service Level on ISIN and other standards comprises a specification of certain provisions in the Articles of Incorporation of ANNA and documents additional conditions as imposed by the ANNA General Meeting.

Main focus is on the rights and obligations associated with ISO 6166 and other standards especially the exchange of data between the members by means of the products and services of the ANNA Service Bureau. Details are specified in the ANNA Service Level License Agreement with the ASB.