



**ASSOCIATION OF NATIONAL NUMBERING AGENCIES srl**

**ISIN UNIFORM GUIDELINES**

**RELATING TO ISO 6166 (9<sup>th</sup> edition)**

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## Contents

<b>1. INTRODUCTION</b>	<b>3</b>
<b>2. EXCEPTIONS</b>	<b>4</b>
<b>2.1. SPECIFIC CASES RELATING TO FUNGIBILITY</b>	<b>4</b>
<b>2.2. GUIDANCE RELATING TO ALLOCATION RULES</b>	<b>6</b>
<b>2.3. COUNTRY SPECIFIC ASSIGNMENT PRACTICES</b>	<b>10</b>
<b>3. FINANCIAL INSTRUMENTS OTHER THAN SECURITIES</b>	<b>11</b>
<b>4. CONSEQUENCES OF CORPORATE ACTIONS</b>	<b>13</b>
<b>5. SUBSTITUTE NUMBERING AGENCIES (SNAS)</b>	<b>16</b>
<b>6. RE-USE OF ISIN CODES</b>	<b>16</b>
<b>7. ISIN CODE STRUCTURE</b>	<b>17</b>
<b>8. ISIN DOCUMENTATION</b>	<b>17</b>
<b>9. LEI &amp; ISIN LINKAGE</b>	<b>17</b>
<b>10. NUMBERING AGENCIES NOT IN LINE WITH THE GUIDELINES</b>	<b>18</b>
<b>11. FINANCIAL INSTRUMENTS OUT OF SCOPE OF ISO 6166</b>	<b>18</b>
<b>12. FOOTNOTES</b>	<b>18</b>

# ISIN Guidelines 2019

## 1. INTRODUCTION

The ISO 6166 standard describes the structure of the ISIN codes and which organizations are allowed to allocate ISIN codes to which securities.

Competence on the allocation and maintenance of ISIN codes is split between NNAs and DSB, a numbering agency designed to operate on a global basis as regards the OTC derivatives.

The aim of these guidelines is to obtain a uniform process among the various National Numbering Agencies for the allocation of ISIN codes under their competence.

In line with the ISIN Quality Management concept, as defined by the Association of National Numbering Agencies (ANNA, registration authority for ISO 6166), we encourage the use of the list of [Operational Contacts - as indicated on ANNA web](#) for the majority of NNAs - to ensure timely and proper allocation of ISIN codes.

This document is a live document which shall be reviewed periodically.

For OTC derivatives, the DSB ISIN guidelines should be consulted, available at [www.anna-dsb.com](http://www.anna-dsb.com).

### 1.1 Identification of a financial instrument

The allocation of an ISIN represents the identification of a financial instrument rather than the market a financial instrument trades on (except for options, futures and commodities). *Fungible securities will be identified by one ISIN.*

### 1.2 General definition of fungibility

Set of goods which are equivalent, substitutable, and interchangeable and which are not individualized.

Since securities can be individualized by numbers or through a registered form, we will use the following definition:

Fungibility within the securities industry means that a security ranks *pari passu* in all respects with a different version of the same security and can be exchanged into the other form and vice versa at any time.

### 1.3 Rights potentially attached to fungible securities

- Right to sell
- Right to vote
- Right to receive a payment (coupon, redemption) on the same date
- Right to participate in a corporate action in the same way
- Right for any holder to hold any form

## 2. EXCEPTIONS

2.1. Specific cases relating to fungibility	Should the securities be considered as fungible in this case?
2.1.1 Different market places	<b>YES</b> , if the security is tradeable in different market places.
2.1.2 Rights difference between different market places in case of corporate action, payment interest/dividends	<p><b>YES</b>, if it is only a technical difference.            Technical differences are already managed by depositories and clearing organization for their deliveries.</p> <p><b>NO</b>, if the securities are lodged in different codes to distinguish the different rights between holders of the various market places.</p>
2.1.3 Subsequent tranches	<p><b>YES</b>, if the securities have identical terms and may be used to settle trades in either tranches, forms or markets without any delay because of possible actions.</p> <p><b>NO</b>, in other cases until the assimilation.</p>
2.1.4 Securities issued in bearer and/or registered form	<p><b>YES</b>, if the securities are fully exchangeable</p> <p><b>NO</b>, if the securities are not fully exchangeable</p>
2.1.5 Change of issue from bearer to registered form or from registered to bearer form at the request of the issuer or is required by local law.	<b>NO</b> , if the holder does not have the same rights until the exchange.
2.1.6 Representative certificates	<p><b>YES</b>, in France Euroclear France is allowed to rematerialize French securities to be delivered in some foreign countries. Euroclear France acts in substitution to the issuer and in fact replaces the dematerialized securities by a materialized form. Holders of representative certificates have the same rights as the previous ones.</p> <p>Where share certificates are issued, two general rules will apply:</p> <p><b>NO</b>, if dematerialized (i.e. German, Swiss, Dutch certificates) or materialized (i.e. IDR, ADR) secondary paper is issued.</p> <p><b>YES</b>, if no secondary paper is issued. An NNA may assign a “Dummy” (i.e. “Q” range of ISINs) ISIN for use within their local market.</p>
2.1.7 Corporate actions	<p><b>YES</b>, if the securities confer to the new holders the same rights as to the previous ones (e.g. subscription of shares with the same rights as the old shares).</p> <p><b>NO</b>, if the new shares are not fully exchangeable or if an exchange or a future assimilation is required. Another code permits a distinction between the old and the new securities and the rights attached to those.</p>

<b>Specific cases relating to fungibility continued</b>	<b>Should the securities be considered as fungible in this case?</b>
<b>2.1.8</b> Partly paid/fully paid/nil paid	<b>NO</b> , until the full payment if an additional payment is required.
<b>2.1.9</b> ISIN assignment affected by legal sanctions	In the event that one or more sanctions are imposed (within one or more official jurisdictions); the sanctions may have a direct impact on the ISIN assignment process followed by National Numbering Agencies as documented within the ISO 6166 standard and/or ANNA ISIN Guidelines. In such cases, the text and interpretation of the sanction(s) should prevail (for the time the sanctions are effective) and any impacts on ISIN assignment or fungibility should be strictly adhered by the impacted National Numbering Agencies in accordance with the wording of such sanction(s).

<b>2.2. Guidance relating to allocation rules</b>	
<b>2.2.1</b> Allocation of ISINs in terms of debt instruments, issued with warrant(s) (i.e. cum or technical cum)	Debt instruments cum and ex warrant(s) must be registered separately by the depository bank. Accordingly, the financial instruments should get at least 3 ISINs: - 1 for the debt instrument cum warrant(s) - 1 for the debt instrument ex warrant(s) - 1 for each warrant <u>N.B.</u> : If several kinds of warrants are attached, the number of ISINs assigned increases accordingly. Moreover, all the above ISINs have the same prefix as the one used for the related debt instruments as stipulated in ISO 6166.
<b>2.2.2</b> Debt issues where tranches are deposited in more than one (I)CSD	If tranches are not fungible, then two ISINs should be assigned. Criteria of non-fungibility: transfer restrictions
<b>2.2.3</b> Partial reimbursement of capital when repayment equally to all holders at the same time	There is no need to allocate new ISINs, even if the payment effects a change of denomination amount.
<b>2.2.4</b> Issues with different denominations	<b>Shares</b> If different categories of shares were issued, then each value should receive its own ISIN. If certificates consist of multiple of shares, only one ISIN should be assigned.  <b>Bonds</b> Only one ISIN for different denominations, if fungible.  Where a denomination is not fungible with another, a new ISIN can be issued to distinguish between the two. e.g. Issue A and Issue B  Both fixed income securities, with the same issue date, maturity date, coupon rate, payment frequency, issue currency etc. i.e. all instrument attributes are the same (except the defined legal denominations)  Issue A is issued with a single denomination of EUR 30,000  Therefore Issue A can only trade (and settle) in multiples of EUR 30,000 (ie 30,000 or 60,000 or 90,000 etc.)  Issue B is issued with denominations of a minimum size of EUR 100,000 and integral multiples of EUR 10,000 thereafter  Therefore issue B can only trade (and settle) with a minimum ticket size of EUR 100,000 or multiples of EUR 10,000 thereafter (i.e. 100,000 or 110,000 or 120,000 or 130,000 etc.)  In the above case, Issue A and B would qualify for different ISINs to comply with the defined denominations.
<b>2.2.5</b> Taxable/Non-taxable securities	Tax considerations may not affect the allocation rules of ISINs, if the securities are fungible.

<b>Guidance relating to allocation rules continued</b>	
<b>2.2.6</b> ISINs for rights	ISINs should be allocated for rights or optional stock dividend election (according to ISO 6166).
<b>2.2.7</b> Issues with 2 or more tranches	Tranches with different issue prices get different ISINs upon issuance, but have to be assimilated after the first coupon payment.
<b>2.2.8</b> Warrants issued by foreign branches of banks	When such branches have no separate legal entity the ISIN-prefix will be the one of the headquarters country. If the branch is a separate legal entity (i.e. within a specific local market), the country of the branch should be considered for the allocation and the prefix accordingly (e.g. warrants issued by foreign bank branches).
<b>2.2.9</b> a) European financial and referential instruments  b) European Stability Mechanism (ESM) products (inclusive of products issued under Regulation S/144A)	<p>Financial and referential instruments issued in the European Union but not relating to a specific EU country jurisdiction would be allocated an ISIN with an EU-prefix by WM Datenservice.</p> <p>Examples</p> <ul style="list-style-type: none"> <li>- Financial instrument: EFSF medium term notes EU000A1G0A57</li> <li>- Referential instrument: Euribor 3 months EU0009652783</li> </ul> <p><b><u>Debt Products issued into European Central Securities Depositories</u></b></p> <p>Debt products issued by ESM directly into a European Central Securities Depositories – ‘CSDs’, will be allocated EU prefix ISINs</p> <p><b><u>Debt Products issued into ICSDs</u></b></p> <p>Debt products issued by ESM directly into the ICSDs (Euroclear Bank and Clearstream Banking), will be allocated XS prefix ISINs.</p> <p><b><u>Debt Products issued into non-EU CSDs</u></b></p> <p>Debt products issued by ESM directly into non-EU CSDs will be allocated local prefix ISINs as per the existing debt rules defined in the ISO 6166 standard (e.g. issued in DTCC in the United States will receive a US prefix ISIN).</p>
<b>2.2.9</b> Preferred shares	<p><u>Preferred shares issued in unit form</u> (that are being treated as debt) will be assigned the relevant ISIN by the NNA located in the issuer’s country of incorporation and set up as equity.</p> <p><u>Preferred shares issued in nominal form</u> (that are being treated as debt) will be assigned an XS ISIN (if being held directly with the ICSDs) and set up as bond.</p> <p><u>Preferred shares that are being treated as equity</u> will be assigned the relevant ISIN by the NNA located in the issuer’s country of incorporation and set up as equity.</p>
<b>2.2.10</b> RegS/144A debt issues	<p><u>The RegS and/or 144A portion is deposited with a US CSD (only)</u>, it will bear the US prefix.</p> <p><u>The RegS and/or 144A portion is deposited with Euroclear Bank / Clearstream Banking</u>, it will bear an XS-ISIN.</p> <p><u>In case of a bifurcated structure or split note</u>, a minimum of 2 and maximum of 4 unique ISINs will be allocated by the relevant numbering agency in accordance with the place of deposit as described in Annex A entitled “<i>ISIN allocation rules for debt instruments issued under rule 144A and Regulation S</i>” which forms an integral part of these guidelines.</p>

<b>2.2.11</b> RegS/144A for warrants	When RegS/144A rules apply to warrants they will exceptionally bear a US prefix without reference to the country of the issuer, as this is normally the case for instruments referenced under the category “Rights”.
<b>2.2.12</b> Common investment funds	For funds, the issuer country means the country where the fund is registered. If this information is missing or not available at the time of the ISIN allocation, tax implications (i.e. country where tax is paid) would apply as the reference country for allocation of the ISIN.



## Guidance relating to allocation rules continued

<p><b>2.2.13</b> Depositary receipts representing an equity instrument</p> <p>Depositary receipts representing a debt instrument</p>	<p>Equity rule applies where the depositary bank issues the depositary receipt representing equity. Allocation rule is Alpha-2 country code of the country where the depositary bank issuing the depositary receipt is legally registered or, in the absence of registration, has their legal domicile.</p> <p>The rules applicable to the underlying debt instruments also apply to this instrument type.</p>
<p><b>2.2.14</b> Structured Products <sup>3</sup></p>	<p>– Alpha-2 country code of the country where the issuer is legally registered or, in the absence of registration, has their legal domicile if the depot of all such securities upon issuance is made with one or more CSD(s) or there is no depot of all such securities upon issuance with a CSD or ICSD. However, current market practice being applied in major markets is based on Primary Place of Deposit:</p> <p>- XS ISIN prefix must apply if the depot of all such securities upon issuance is primarily made with an ICSD (irrespective if being issued in nominal or unit).</p>
<p><b>2.2.15</b> Combined instruments <sup>2</sup></p>	<p>The allocation rule for these instruments is “Alpha-2 country code of the country of the issuer”.</p>
<p><b>2.2.16</b> Issues denominated in different currencies</p>	<p>For Collective Investment Vehicles:</p> <p>-If the currency is defined as a specific class in the prospectus, then each currency class shall have its own ISIN.</p> <p>-If a dedicated class is denominated in different currencies, then only one ISIN can be issued for the particular class.</p>

<b>2.3. Country specific assignment practices</b>	
Refer to point 10 'Numbering Agencies not in line with Guidelines'	
<b>2.3.1</b> Australia	<p>Delisted instruments – A temporary ISIN can be allocated in cases where a security is de-listed from the ASX (Australian Stock Exchange).</p> <p>Re-use of ISIN for warrants – ISIN codes for Australian warrants contain the ASX code for the issuer and characteristics of the instrument type. Re-use can occur after at least 45 business days.</p>
<b>2.3.2</b> Russia	<p>Separate ISIN allocation for new issue of equity shares, with same rights, until they are merged with the principal shares.</p> <p>New shares circulate separately from principal shares for several months and are not fungible during this time. The new shares can be cancelled by the Regulator during this period. Upon confirmation from the regulator, the new shares will rank pari passu and the ISIN for the new shares will be made inactive.</p>
<b>2.3.3</b> USA	Allocate ISIN codes to bank loans.
<b>2.3.4</b> Italy	Different tranches of Italian debt securities subject to pro rata temporis taxation under the provisions of Legislative Decree 239 of 1 April 1996 (LD 239/96) are also fungible, and bear the same ISIN, if the issue price, redemption price, issue date and redemption date to be used for tax purposes are identical (e.g. through application of Article 11 (2) of LD 239/96).
<b>2.3.5</b> Hong Kong	For all securities products (except debt securities) traded on the Stock Exchange of Hong Kong in multiple currencies, securities traded in different currencies should receive its own ISIN.
<b>2.3.6</b> International market	No change of ISIN in cases of change of place of deposit from common depository to common safekeeper (NGN/NSS).

### 3. FINANCIAL INSTRUMENTS OTHER THAN SECURITIES

Financial Instruments		Example	
<b>3.1. Currencies</b>	The ISIN should bear the prefix of the issuer country in case of single currency. For cross rates, the prefix should correspond to the issuer country of the fixed currency of the ratio.	Euro USD	EU0009656420 US9117941131
<b>3.2. Indices</b>	<p>The ISIN will bear the prefix of the jurisdiction of the Benchmark Administrator<sup>5</sup> and should be assigned for each index based on its unique attributes<sup>4</sup>.</p> <p>ISIN requests should be submitted or validated by Benchmark Administrators. The exception being where a Benchmark Administrator does not want to be involved in the ISIN application process or has transferred this obligation to the calculating agent, being a different corporate entity to the Benchmark Administrator.</p> <p>The Benchmark Administrator name should be used as the issuer name unless an alternative is specified by the Benchmark Administrator. The Benchmark Administrator must include a rationale for use of an alternative issuer name.</p>	FTSE 100 Index IBEX 35 S&P500 Index	GB0001383545 ES0SI0000005 US78378X1072
<b>3.3. Interest rates</b>	<p>Referential interest rates as defined by term and currency, used in the financial sector and calculated by financial institutions.</p> <p>The ISIN should bear the prefix of the originator's country.</p>	1-Year MIBOR 12-Month LIBOR	ES0S00000018 GB00B5M93442
<b>3.4. Commodities</b>	One ISIN per good and domicile of the exchange, even if several exchanges exist in the same country. The different quality degrees within the same good should not be taken into account.	Lampante Olive Oil	ES0SM0032042
<b>3.5. Options</b>	<p>Each contract defined by expiration date, option type, strike price, currency and underlying instrument will get an ISIN.</p> <p>The ISIN gets the prefix of the country of the exchange or MTF issuing or registering and clearing the specific derivative instrument.</p>	MEFF OPC 06 2012 VTA TEF 16,00 LIFFE PEARSON CALL OPTION 15/06/12 GBX100	ES0A00482836

Financial Instruments		Example
<b>3.6. Futures</b>	Each contract defined by expiration date, currency and underlying instrument will get an ISIN. The ISIN gets the prefix of the country of the exchange or MTF issuing or registering and clearing the specific derivative instrument.	MEFF                      ES0B00017433 FUT 12 2011 BBVA  TURQUOISE              GB00D62FXB42 GAZPROM ADR FUT 15/07/11 USD
<b>3.7. Contracts for Differences (CfDs)</b>	Please refer to <a href="#">ANNA DSB ISIN Guidelines</a>	
<b>3.8. Carbon credits &amp; emissions</b>	<p>Types of carbon instruments:</p> <p>-<i>European Union Allowances</i>, commonly referred to as EUA, are issued specifically for the European Trading System (ETS) and in accordance with the Kyoto Protocol compliance regime. The ISIN assigned for each EUA gets the EU prefix.</p> <p>-<i>Certified Emission Reduction</i>, commonly referred to as CER, are issued as part of the Clean Development Mechanism (CDM) projects and in accordance with the Kyoto Protocol compliance regime. Projects are typically hosted in developing countries. The ISIN gets the prefix of the country where the project is hosted.</p> <p>-<i>Voluntary Emission Reduction or Verified Emission Reduction</i>, commonly referred to as VER, are issued outside of the Kyoto Protocol compliance regime. VER credits are based on carbon off set projects. Generally, VER's are not liquid credits and do not have a transparent and clear market for exchange. The ISIN gets the prefix of the country where the project is hosted.</p>	<p>EUA                      EU000A1RRN98 European Emission Allowances</p> <p>EUAA                      EU000A1N5R34 European Aviation Allowances</p>
<b>3.9. Stock dividends</b>	<p>Stock dividends are eligible for ISIN allocation when referenced as underlying of derivatives contracts (e.g. futures, options). The ISIN gets the prefix of the country where the company is registered or, in absence of registration, has its legal domicile. For Optional Stock Dividend election (Technical Rights line), refer section 2.2.6</p>	

## 4. CONSEQUENCES OF CORPORATE ACTIONS

Event and Definition	ISIN rules for paperless securities	ISIN rules for physical certificates
<p><b>4.1 Change of domicile</b></p> <p><u>Change of Country</u> Domicile of company changes to another country</p> <p><u>European Company - Societas Europaea (SE)</u></p> <p>A change of seat / registered office from one country to another.</p>	<p>No change of ISIN for securities already existing.</p> <p>No change of ISIN for securities already existing</p>	<p>A new ISIN only if the old security is exchanged for a new one.</p> <p>No change of ISIN for securities already existing</p>
<p><b>4.2 Merger</b></p> <p><u>Merger by absorption:</u> One of the companies incorporates the other(s) which legally disappear(s)</p> <p><u>Merger by amalgamation:</u> The two companies merge to form a new legal entity after a certain period</p>	<p>ISINs of shares of the former companies must become inactive after a certain period.</p> <p>A new ISIN has to be allocated for the stock of the new company and the former ISINs must become inactive.</p>	<p>ISINs of shares of the former companies must become inactive after a certain period.</p> <p>A new ISIN has to be allocated for the stock of the new company and the former ISINs must become inactive.</p> <p><u>N.B.</u> In both above cases, for bonds, a new ISIN is created only if the old certificates are exchanged for new ones.</p>
<p><b>4.3 Assimilation</b></p> <p>Event which makes the use of an existing separate ISIN superfluous. For example: full dividend rights for new shares, call of outstanding amount on partly paid shares</p>	<p>The ISIN of the new stock has to become inactive when old and new shares become fungible unless a re-use is planned.</p>	<p>The ISIN of the new stock has to become inactive when old and new shares become fungible unless a re-use is planned.</p>
<p><b>4.4 Redemption</b></p> <p>Repayment of capital debt securities or redeemable shares (fully redeemed)</p>	<p>The ISIN has to become inactive after redemption date, unless the bonds are in default.</p>	<p>The ISIN has to become inactive after redemption date, unless the bonds are in default.</p>
<p><b>4.5 Conversion</b></p> <p>The exchange of a convertible type of security into another type of security.</p> <p>Convertible bonds or Convertible shares (fully converted)</p>	<p><u>Convertible bonds</u></p> <p>The ISIN has to become inactive after conversion period end date, unless the bonds are in default.</p> <p><u>Convertible shares</u></p> <p>The ISIN has to become inactive after conversion date.</p>	<p><u>Convertible bonds</u></p> <p>The ISIN has to become inactive after conversion period end date, unless the bonds are in default.</p> <p><u>Convertible shares</u></p> <p>The ISIN has to become inactive after conversion date</p>

## CONSEQUENCES OF CORPORATE ACTIONS continued

Event and Definition	ISIN rules for paperless securities	ISIN rules for physical certificates
<p><b>4.6 Bankruptcy</b> Forced liquidation of a company</p> <ul style="list-style-type: none"> <li>- Full or partial compensation of shareholders/creditors</li> <li>- Discontinuation of the legal proceedings because of lack of assets</li> </ul>	<p>The ISIN has to become inactive after deletion of the company in the register of commerce.</p> <p>The ISIN has to become inactive after deletion of the company in the register of commerce.</p>	<p>The ISIN has to become inactive after deletion of the company in the register of commerce.</p> <p>The ISIN has to become inactive after deletion of the company in the register of commerce.</p>
<p><b>4.7 Change of share capital</b> Change of issued capital (issued stock) of a company</p> <ul style="list-style-type: none"> <li>- Increase by issue of additional stocks</li> <li>- Increase by change of nominal value</li> <li>- Decrease by change of nominal value</li> </ul>	<p>A new ISIN has only to be allocated for stocks with different rights.</p> <p>The ISIN code remains unchanged</p> <p>The ISIN code remains unchanged</p>	<p>A new ISIN has only to be allocated for stocks with different rights.</p> <p>A new ISIN is required in case of exchange of the old certificates</p> <p>A new ISIN is required in case of exchange of the old certificates</p>
<p><b>4.8 Liquidation</b> Voluntary dissolution of a company</p>	<p>The ISIN has to become inactive after deletion of the company in the register of commerce.</p>	<p>The ISIN has to become inactive after deletion of the company in the register of commerce.</p>
<p><b>4.9 Change of name</b> Renaming of a company</p>	<p><u>For shares:</u> The ISIN code remains unchanged except for those ones where CUSIP Global Services is the relevant NNA.</p> <p><u>For debt securities:</u> The ISIN code remains unchanged except for those ones where CUSIP Global Services is the relevant NNA</p>	<p><u>For shares:</u> A new ISIN is allocated for shares in case of exchange of the old certificates.</p> <p><u>For debt securities:</u> If the bonds have to be exchanged for new certificates, the ISIN must be changed.</p>
<p><b>4.10 Stock split</b> Subdivision</p>	<p>The ISIN code is changed only if necessary for technical reasons</p>	<p>A new ISIN is required in case of exchange of the old certificates</p>
<p><b>4.11 Reverse split</b> Consolidation</p>	<p>The ISIN code is changed only if necessary for technical reasons.</p>	<p>A new ISIN is required in case of exchange of the old certificates</p>
<p><b>4.12 Renewal of coupons</b></p>	<p>Not applicable.</p>	<p>No new ISIN will be allocated in such a case provided that the certificate does not need to be exchanged.</p>

## CONSEQUENCES OF CORPORATE ACTIONS continued

Event and Definition	ISIN rules for paperless securities	ISIN rules for physical certificates
<p><b>4.13 Official stripping</b> Separate trading of registered interest and principal of securities.</p> <p>In case of official stripping, the issuer designates the underlying issue as eligible for stripping and appoints strip dealers.</p>	<p>The rules applicable to the underlying debt instruments also apply to official stripping.</p>	<p>The rules applicable to the underlying debt instruments also apply to official stripping.</p>
<p><b>4.14 Unofficial stripping</b> Unofficial stripping is generally issued by a Trust or SPV (special purpose vehicle) which repackages the underlying issue without the authorization of the issuer.</p> <p>In this case, evidence of ownership is in the form of a certificate issued by the Trust or the SPV. The certificates are not the primary obligation of the issuer of the underlying security and in the event of default of the Trust or the SPV no claim can be made by certificate holders against assets of the issuer of the underlying bond in order to recoup their principal and interest.</p>	<p>Alpha-2 country code of the country of the entity that strips the issue.</p>	<p>Alpha-2 country code of the country of the entity that strips the issue.</p>
<p><b>4.15 Change of Primary place of deposit <sup>1</sup></b> Place of deposit is changed from one (I)CSD to another (I)CSD</p>	<p>No change of ISIN for paperless/immobilised securities</p>	<p>For physical certificates, a new ISIN only if the old security is exchanged for a new one.</p>
<p><b>4.16 Change of Issuer</b> There is a transfer of securities from one issuer to another.</p>	<p>No change of ISIN for securities already existing.</p>	<p>A new ISIN only if the old security is exchanged for a new one.</p>

## **CONSEQUENCES OF CORPORATE ACTIONS continued**

Event and Definition	ISIN rules for paperless securities	ISIN rules for physical certificates
<p><b>4.17 Transfer of sub fund</b></p> <p><u>Scenario 1</u> A sub fund merges/is transferred from one (fund) company to a new/existing (fund) company.</p> <p>The form of the giving/receiving (fund) company, e.g. SICAV vs. FCP and/or if the giving (fund) company continues or ends to exist is irrelevant for this change.</p> <p>The sub fund being merged/transferred and the receiving (fund) company may have different jurisdictions of domicile.</p> <p>N.B. If a name change is involved this should be treated according to existing rule 4.8 Change of Name.</p> <p><u>Scenario 2</u> The management company of an FCP will be transformed into a SICAV and thus will inherit the ISINs of the FCP.</p>	<p><u>Scenario 1</u> No change of ISIN required as sub fund does not merge with another new/existing sub fund. Sub fund becomes a new compartment within the receiving (fund) company.</p> <p><u>Scenario 2</u> No change of ISIN required as the transformation of the management company does not have an impact on the underlying sub funds.</p>	<p><u>Scenario 1</u> No change of ISIN required as sub fund does not merge with another new/existing sub fund. Sub fund becomes a new compartment within the receiving (fund) company.</p> <p><u>Scenario 2</u> No change of ISIN required as the transformation of the management company does not have an impact on the underlying sub funds.</p>

### **5. SUBSTITUTE NUMBERING AGENCIES (SNAs)**

If a NNA - for whatever reason - does not allocate an ISIN for a certain financial instrument, the designated Substitute Agency would allocate an ISIN with prefix XA, XB, XC or XD (XA used by CUSIP Global Services, XB by NSD Russia, XC by WM Datenservice Germany and XD by SIX Financial Information Ltd.) according to their geographical responsibilities and based on their own basic number.

In the event an SNA does not deal with a request it should take the responsibility to coordinate the distribution of such a request with other SNA.

### **6. RE-USE OF ISIN CODES**

As a general rule, ISINs should never be re-used. This rule applies to all kinds of financial instruments.



## **7. ISIN Code Structure**

ISIN code is a 12-character alphanumeric code allocated in accordance with ISO 6166 containing first two alpha-characters as ISIN prefix and last digit as check digit.

To maintain the persistence of an ISIN, as far as reasonably practicable, and to enable use of all permutations possible, ISIN codes should not contain any embedded intelligence.

Where possible, random number generation logic should be used including a sequence of alpha numeric characters.

The methodology applied must also comply with ISO 6166 (Annex C – Normative) - Formula for computing modulus 10 “Double-Add-Double” check digit requirements.

## **8. ISIN Documentation**

Adequate due diligence and KYC checks shall be undertaken by the responsible NNA in order to verify both the issuer and requestor/originator as well as the financial instrument details, on a best endeavours basis.

Relevant supporting material shall be requested or obtained by the NNA to verify the details of the issuer and requestor/originator and the financial instrument attributes. Supporting material may include, but is not limited to:

- Business/company incorporation documents
- Prospectus, legal offering document, term sheets, contract specifications etc.
- Originating trading venue data for exchange traded options and futures
- Index Factsheets

Additional information may be requested as required by the NNA processing the request.

## **9. LEI & ISIN Linkage**

Endorsed by the G20 and Financial Stability Board, the [Legal Entity Identifier \(LEI\)](#) is a 20-character, alpha-numeric code based on the ISO 17442 standard. It connects to key reference information that enables clear and unique identification of legal entities when issuing a financial instrument and/or participating in financial transactions.

As the LEI captures data at the entity level and the ISIN at the security level, linking the two identifiers will allow for an enriched data set providing additional layers of information that ultimately forms a comprehensive profile of the entity, its identity, company structure and financial exposure.

Each NNA shall capture or request the LEI of the issuing entity at the time of an ISIN request to assist with increasing the LEI-ISIN coverage. Where the LEI cannot be obtained or confirmed (which means verification of the presence of the LEI and legal entity name with the GLEIF database: <https://www.gleif.org/en/lei/search#>), due to the increased prominence and importance of its broad adoption in global financial markets, including regulatory mandates (such as MiFID II and the Prospectus Directive in Europe) in some jurisdictions, the NNA shall encourage the requestor to [obtain an LEI](#).

Due to regulatory requirements in some jurisdiction (such as CSDR in Europe), some NNAs may require an LEI before ISIN issuance can take place.

## **10. NUMBERING AGENCIES NOT IN LINE WITH THE GUIDELINES**

National Numbering Agencies are required to adopt and implement ISIN in line with their obligations as an ANNA Member or Partner. Should this not be possible for certain events, the long-term goal should be to come in line with the Guidelines as soon as practical.

## **11. FINANCIAL INSTRUMENTS OUT OF SCOPE OF ISO 6166**

Examples such as:

- Bills for discount
- Credit facilities (overdraft, revolving)
- Documentary credits
- Collection items, etc.

## **12. FOOTNOTES**

### **<sup>1</sup> Primary Place of Deposit:**

The primary place of deposit is the (International) Central Securities Depository which physically holds the securities in custody or, for dematerialized securities, which hosts primary issuance and supports settlement of the security.

### **<sup>2</sup> Combined Instruments:**

Packages of different financial instruments issued and/or traded as one single unit. They can be separated during their life cycle and be traded individually.

### **<sup>3</sup> Structured products:**

Structured instruments can be divided into:

#### **Structured instruments (capital protection)**

Capital protected structured instruments offer investors exposure to chosen underlying in various approaches and by a large variety of asymmetric pay-off profiles. There are one or more reference entities underlying in the product. Redemption is made at least in the amount of conditional capital protection at maturity, provided that no credit event of the reference entity has occurred. Conditional capital protection only applies to the nominal and not to the purchase price. The general functioning of a capital guaranteed structured instrument is as follows: the notional amount is split into a zero bond, that will deliver the capital guarantee at maturity, and the difference between the zero bond's value (=present value of the guarantee level at maturity) and the notional amount is used for structuring the performance component with options which deliver the agreed pay-off profile of the structured instrument.

#### **Structured instruments (without capital protection)**

A structured instrument without capital protection is a short-term note linked to an underlying stock. The security offers a steady stream of income due to the payment of a coupon rate. The redemption at the end of the term is determined on the basis of the performance and final fixing of the underlying: a redemption at the nominal value is guaranteed as long as the underlying has not touched its barrier during the relevant barrier monitoring. If the underlying has touched its barrier but is again above the strike price at final fixing, the nominal price is also repaid. Nevertheless, if the underlying has touched its barrier during barrier monitoring and closes below the strike price at final fixing, the underlying is delivered or cash compensation paid, provided that no credit event of the reference entity has occurred. Depending on the characteristics of the product, either a coupon or a discount to the underlying can apply. A coupon is paid out regardless of performance of the underlying, provided that no credit event of the reference entity has occurred.

#### **Structured instruments (Participation)**

The construction is generally based on a Low Exercise Price Option LEPO (base value less discount future dividends) or a direct investment in the Underlying or a LEPO combines with other options, which guarantee the desired disbursement profile.

### **Structured instruments (Entitlements: Mini-Future Certificates / Constant Leverage Certificates)**

MINI Futures combine the structure of open-end certificates with leverage option. MINI Futures have no fixed term. The leverage is therefore available without a term restriction. The price of a MINI Future always corresponds to its intrinsic value, i.e. the capital outlay, plus the bid-ask spread. The financing costs associated with building up the leverage effect are offset against the capital outlay on a daily basis, thereby eliminating the need for a premium. Investors have to pay only financing costs they actually utilize. In contrast to options, factors like volatility, have no influence at all on the price of MINI Futures.

For further information please consult [https://eusipa.org/wp-content/uploads/European\\_map\\_20160530\\_2016.pdf](https://eusipa.org/wp-content/uploads/European_map_20160530_2016.pdf)

#### **4 Index Attributes**

Index attributes need to be taken into consideration to ensure unique ISIN identification. The relevant attributes also need to be visible as part of the index description to allow differentiation between indices and their respective ISINs. Examples of attribute types used to uniquely define an index are as follows - Index weighting types, Index return type, Index asset type, Index currency, Index style, Index category, Type of interest rate, Frequency of calculation, Index strategy, Index family, Hedged, Rebalance Frequency, Exclusions, Composite

#### **5 Benchmark Administrator:**

A Benchmark Administrator according to the IOSCO Principles for Financial Benchmarks, Annex A - Glossary of Key Items (<https://www.iosco.org/library/pubdocs/pdf/IOSCOPD415.pdf>) is:

An organisation or legal person that controls the creation and operation of the Benchmark Administration process, whether or not it owns the intellectual property relating to the Benchmark. In particular, it has responsibility for all stages of the Benchmark Administration process, including:

- a) The calculation of the Benchmark;
- b) Determining and applying the Benchmark Methodology; and
- c) Disseminating the Benchmark.