GLOBAL LEGAL ENTITY IDENTIFIER (LEI)
CURRENT DEVELOPMENTS

JULY 18, 2013
Question & Answer

- All questions will be taken electronically
- To ask a question please utilize the Question portion of your GotoWebinar Screen as shown below and hit send
- Participants who are not logged into the webinar can send questions during the presentation to: leiwebinar@sifma.org, or tlee@sifma.org

Additional resources available at:
http://www.gfma.org/initiatives/legal-entity-identifier-(lei)/
Current progress in the development of the Global LEI System

Agenda

• Introductory Comments from Robin Doyle

• Update from LEI Regulatory Oversight Committee
  - Rudolf Siebel, German Funds Association
  - Matt Reed, US Office of Financial Research
  - Francis Gross, European Central Bank

• Insights on LOU Developments
  - CICI Utility
  - WM Datenservice
  - London Stock Exchange

• Questions and Answers
Update from LEI Regulatory Oversight Committee (ROC)
What We Have Accomplished

- Fully Functioning ROC
  - 50+ members, 25+ observers
  - Finance Ministers, Central Banks, Regulators, International Financial Institutions
  - Bylaws, Chairs, Executive Committee
  - Private Sector Preparatory Group
  - Website: www.leiroc.org
  - And all by consensus
What We Have Accomplished

• The Global LEI Foundation
  • GLEIF will be a foundation in Switzerland
  • Organizing statutes agreed by ROC
  • Board process is under way
  • Interim LEI system is agreed to and designed
Why An Interim System?

- Reporting has begun in U.S. and soon in Europe
- CICIs, GEIs already in circulation, others coming online
- The GLEIF needs time to:
  - Acquire funding
  - Develop network key
  - Set standards and policies
  - Negotiate contracts with LOUs
- We Can’t Wait!!!
The Interim System

- When COU is operational, it will govern by contract or franchise
- Nine prefixes assigned, each is sponsored by a ROC member
- To become pre-LEIs (as part of GLEIS) must follow six principles
- To become mutually accepted NOW, must be endorsed by ROC
  - Sponsor will verify, ROC will endorse
  - Specific criteria follow six principles
The Six Principles for Pre-LEIs

- Adhere to G20-endorsed FSB Recommendations
- Only accept self-registration
- Avoid duplicate registrations
- Ensure portability
- Be sponsored by a ROC member
- ROC member verifies these requirements
Expected Adoption of LEI

- Any legal entity engaged in a financial market transaction anywhere on the globe
- Regulatory compulsion in reporting
  - Swaps, private funds, advisors, insurers
  - Working to identify next regulatory needs
- No power by the ROC or COU to compel adoption
- With good input, planning, and design, it will become a must-have like a bar code
This GLEIS Is ALL OF OURS

- Officials:
  - www.treasury.gov/ofr
  - www.leiroc.org

- Utilities:
  - www.ciciutility.org
  - www.geiportal.org
Insights on LOU Developments
Core principles/processes underlying Utility operations

• **Global**
  - Support reporting across all jurisdictions and asset classes
  - Provides registration, data maintenance, validation
  - Extensive global industry input to shape solution

• **Public good**
  - Cost recovery model
  - Free and unrestricted access

• **Control**
  - Built to deliver ISO 17442 standard
  - High quality data is a key focus
  - Utility strength infrastructure

• **Data quality**
  - Utilities have data validation expertise
Data Quality

• High Quality Registration Process
  – Different data-profiles to avoid typing errors
  – Opportunity to choose from drop-down menus where possible e.g. legal form
  – Automatic syntax checking in email address and zip-code

• Avoiding duplicates
  – Automatic system check for duplicates during the registration
  – After registration: further manual check for duplicates on all Pre-LEI databases
  – Contacting requestor, if any suspected duplicates are found

• Validation process
  – Using local register for validation process where available
  – For investment funds: check with other sources like prospectus and custodian
  – Check whether the requestor has the authority to act on the entity’s behalf
  – Communication with the Requestor in any cases of doubt

• Additional Aspects for a High Data Quality
  – Ongoing maintenance
  – Challenge process to allow user-led updates
## Entity Record Details

Details for the record you selected are below

### Entity Name

<table>
<thead>
<tr>
<th>Legal Name</th>
<th>Anglicized Legal Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Depository Trust &amp; Clearing Corporation</td>
<td></td>
</tr>
</tbody>
</table>

### Entity Address

<table>
<thead>
<tr>
<th>Address Line 1</th>
<th>Address Line 2</th>
<th>City</th>
<th>State</th>
<th>Country</th>
<th>Post Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>22nd Floor</td>
<td>55 Water Street</td>
<td>New York</td>
<td>NY</td>
<td>UNITED STATES</td>
<td>10041-0024</td>
</tr>
</tbody>
</table>

### Entity Information

<table>
<thead>
<tr>
<th>CICI</th>
<th>Legal Form</th>
<th>Entity Status</th>
<th>Record Status</th>
<th>Certification Status</th>
<th>Next Certification Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>MLDY5N5PZ58ZE60QU102</td>
<td>CORPORATION</td>
<td>ACTIVE</td>
<td>VALIDATED</td>
<td>CERTIFIED</td>
<td>2013-06-08</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Previous Legal Names</th>
<th>Ultimate Parent CICI</th>
<th>Duplicate Reference CICI</th>
</tr>
</thead>
<tbody>
<tr>
<td>D/N Integration Corp.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
CICI Utility Status Update

• **2013 Highlights**
  - Go-live – August, 2012
  - Over 85,000 entities have been assigned CICIs
  - Approximately 250 new submissions per day
  - Entities registered in 148 countries
  - Very high percentage of swap contracts in SDR include CICIs
  - Implementation of collaboration with CUSIP Global Services
  - Expanded support of alternative payment methods
  - Introduction of a consolidated file of pre-LEI records
  - Support de-duplication efforts across LOUs
  - Enhancements to funds guidance
  - Addition of Bulk Certification process
  - Reduction in Certification pricing
CICI Utility Upcoming Release

- **Additional ISO Fields**
  - Fields will be introduced for additional ISO attributes:
    - Headquarters address
    - Business registry name and number
    - Date and reason of expiration
  - Fields will act as placeholders until additional implementation recommendations are received from the ISO working group

- **Updated Vocabulary**

<table>
<thead>
<tr>
<th>Old Value</th>
<th>New Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certification State</td>
<td>Maintenance State</td>
</tr>
<tr>
<td>Next Certification Date</td>
<td>Next Maintenance Date</td>
</tr>
<tr>
<td>Record State: Validated</td>
<td>Record State: Public Sources</td>
</tr>
<tr>
<td>Record State: Inadequate Sources</td>
<td>Record State: Registrant Source</td>
</tr>
<tr>
<td>Record State: Conflicting Sources</td>
<td>Record State: Multiple Sources</td>
</tr>
<tr>
<td>Event: Certified</td>
<td>Event: Last Maintained</td>
</tr>
</tbody>
</table>
CICI Utility Continued Focus

• **Recertification of entity records**
  - Notify registrants of upcoming maintenance deadlines
  - Introduction of new “My Maintained Entities” page
  - Pro-rate maintenance charges

• **Continued support of inter-LOU processes**
  - Pre-LEI record porting process
  - Search consolidated file
  - Inter-LOU duplication remediation
  - Integration of pre-LEIs assigned by other LOUs into ultimate parent lookup and challenges
  - Inter-LOU common file format and fields
WM Datenservice Utility

Detailed view
Merck Fink & Co. OHG

<table>
<thead>
<tr>
<th>Profile:</th>
<th>Company</th>
</tr>
</thead>
</table>

**Company data**
- Name of the company: Merck Fink & Co. OHG
- Responsible local court: München
- Register No.: HRB 50703
- Legal form of the company: Offene Handelsgesellschaft

**Legal headquarters**
- Street and house number: Fasaniter 16
- Zip code: 80333
- Town: München
- German state / federal state: Bayern
- Country: Germany

**Administrative center**
- Street and house number: Fasaniter 16
- Zip code: 80333
- Town: München
- German state / federal state: Bayern
- Country: Germany

**Status information**
- GEI no.: 52990NY1Y99/SUCY14
- GEI status: Issued
- Initial issue GEI: 05.05.2013 17:51:45
- Last update: 05.05.2013 17:51:45
- Due next extension: 05.05.2014 17:51:45
WM Datenservice: Status Update

- **2013 Status**
  - Live since April 2, 2013
  - Around 2,400 applications received
  - Around 1,600 GEIs issued (difference in most cases due to administrative matters e.g. payment cycle of registration fees)
  - Growing interest from non-financials (around 50 applications/day)
  - Growing number of new submissions per day (around 80)
  - Entities registered mainly in Germany, but also from other countries (mainly from Europe)
  - High percentage of GEIs allocated for funds
  - Since July 1: possibility to request transfer of Pre-LEI implemented during registration process (i.e., adherence to Pre-LEI principle)
WM Datenservice: Outlook

• Consolidated data file planned for coming weeks (incl. all operational Pre-LOUs at that stage)
  • File structure will follow ISO 17442 record structure (as minimum for exchange of files among LOUs)
• Extension of search facilities on portal (e.g. GEI status, country of legal headquarter)
• Further payment methods to be introduced
• Industry dialogue to be further extended
  • Close cooperation with industry associations
  • National LEI User Group planned
London Stock Exchange - IEI Utility

<table>
<thead>
<tr>
<th>Pre-LEI</th>
<th>Status</th>
<th>Pre-LOU</th>
<th>Pre-LEI</th>
<th>Official Entity Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1ENPIRAPQ5WZD1RKR791</td>
<td>Active</td>
<td>CII</td>
<td>DK1QDUJY9889J3358XU09</td>
<td>JH London Europe Ltd</td>
</tr>
<tr>
<td>09 Jul 2013</td>
<td>13:39</td>
<td>27 June 2012</td>
<td>27 June 2012</td>
<td>Active</td>
</tr>
</tbody>
</table>

**Official Entity Name:** JH London Europe Ltd

**Legal Form:** LIMITED

**Pre-LEI:** X1ENPIRAPQ5WZD1RKR791

**Create Date:** 27 June 2012

**Pre-LEI Status:** Active

**Pre-LOU:** CII

**HeadQuarters Address:** Bridge House

**HeadQuarters City:** Bexley

**HeadQuarters Country:** Great Britian - GB

**HeadQuarters PostCode:** DY12 1AB
Current Status – System Development

- Received sponsorship on 6 June 2013
- Integration of existing Pre-LOU data
- Consolidated search function within the user interface
- System validation to prevent submission of duplicate entries
- Dynamic filtering and search functionality on all data fields
- Personal view for ‘My IEI Data’
- Credit card payment for individual IEI requests and the possibility of invoicing for bulk submissions e.g. Fund Managers
- Consolidated and IEI only data files in flat file format
- Status concept (Draft, Pending, Active, Expired & Inactive) partnered with Event Type
- Annual certification reminders
- Possibility for portability automation
London Stock Exchange: Status Update continued

• **Current Status - Data Validation**
  - Finalizing internal validation procedures for different entity types and jurisdictions
  - Impact on Pre-LEI as a result of corporate actions

• **Next steps**
  - IEI allocation requests already being received on a daily basis
  - Continued system testing for operational go-live end of July 2013
  - Live demonstrations of the test environment to user communities
  - Continued participation in working groups and industry forums in particular CES Pre-LOU group on standardization and consistency amongst Pre-LOUs
  - Awaiting confirmation and recommendations regarding standardized framework e.g. file format and content, portability