

MEMORANDUM

TO: File No. S7-34-10

FROM: Michael Gaw

RE: Summary of Meeting with Karla McKenna, Chair, TC68 (Financial Services),
International Organization for Standardization

DATE: April 12, 2011

On April 6, 2011, staff from the SEC's Division of Trading and Markets (Gregg Berman, Tom Eady, and Michael Gaw); Division of Risk, Strategy, and Financial Innovation (Adam Glass and Matt Reed); Office of Interactive Disclosure (David Blaszkowsky, by phone); and Office of International Affairs (Kathleen Kelly) met with Karla McKenna, Chair, TC68 (Financial Services), International Organization for Standardization, to discuss issues relating to the development of "legal entity identifiers" in connection with the Commission's promulgation of Regulation SBSR.

Attachments (provided by Ms. McKenna)

ISO LEI Standard Entity Coverage

- LEIs can be assigned to a legal person or structure that is organized under the corporate laws of any jurisdiction.

Note: these entities include but are not limited to all financial intermediaries, banks and finance companies, all entities listed on an exchange, all entities that trade stock or debt, partnership and pension funds, all entities under the purview a financial regulator and their holding companies and supranationals.

Investment vehicles, including mutual funds and alternative investment vehicles (hedge funds, private equities, etc.) can be identified by means of an LEI regardless of whether they are incorporated or constituted in some other way (e.g., trust, partnership, contractual, etc.).

ISO TC68 LEI Standard Proposed Structure

- 20 alphanumeric characters
- Check digit validation using ISO 7064, *Data Processing, Check Character Systems*
- Data record attributes
 - the official name of the legal entity as recorded in the official registers, or with the fund manager for collective investment vehicles.
 - The address of the headquarters of that legal entity or the address of the fund manager.
 - The country of incorporation denoted by ISO 3166, *Codes for the representation of names of countries and their subdivisions*
 - the date of the first LEI assignment
 - the date of last update of the LEI information.
 - the date of expiry, if applicable
- Registration Authority appointment and functions
 - appointed by ISO; contractual agreement with ISO
 - validation of applications for LEIs
 - assignment and initial distribution of LEIs
 - keeper of the LEI registry
 - maintenance of LEIs for corporate event related updates
 - annual review of LEI records

Anticipated Timeline

Based on the filing of the standard with ISO for ballot on March 31, 2011:

For the 2-phase process:

- **Date by which the first phase of approval of the standard by the TC would be completed: end June 2011**
- **Date by which the second phase of approval of the standard by the TC would be completed: end January 2012**
- **Approximate date for publishing of the standard by ISO: end March 2012**

If the standard does not receive unanimous approval of the standard in the second phase, then the 3rd phase is required.

For the 3-phase process:

- **Date by which the first phase of approval of the standard by the TC would be completed: end June 2011**
- **Date by which the second phase of approval of the standard by the TC would be completed: end January 2012**
- **Date by which the third phase of approval of the standard by the TC would be completed: end May 2012**
- **Approximate date for publishing of the standard by ISO: end July 2012**

