

ISSA

Mr Alan Bryden
Secretary-General
ISO Central Secretariat
1 Chemin de Voie-Creuse
Case postale 56
CH-1211 Genève 20
Switzerland

Zurich, 21 September 2007

Licensing Fees and similar restrictions imposed on the use of ISO Standards ISO 6166, International Securities Identification Number (ISIN)

Dear Mr Bryden

The International Securities Services Association ISSA is a non-profit, private sector association domiciled in Zurich. Its mission is to provide leadership in the formulation and promotion of best practice to improve efficiency and risk management in the global asset servicing industry. ISSA embraces all institutional participants along the investment value chain: operators of financial market infrastructures (such as stock exchanges, securities clearing houses, central securities depositories, SWIFT etc.) and users of those infrastructures (such as broker dealers, asset managers, custodian agent banks, institutional investors). ISSA currently has 97 member institutions in 47 countries around the world. A list of our members is attached.

The availability and universal adoption of ISO standards across the financial instruments transaction processing chain has added much to process efficiency and risk mitigation in the global financial industry. ISSA has always been a keen supporter and promoter of the use of ISO standards in all electronic communication relating to securities clearing, settlement and asset servicing, particularly in an international context. In fact, ISSA played a very active role in the development of ISO Standard 6166 in the early eighties.

ISSA strongly believes that ISO standards should be available to the industry free of charge, respectively on a cost recovery basis, but in any case free of encumbrances such as license fees. If there is cost associated with the distribution and maintenance of standards, then that should be recouped through industry utility structures, and for profit structures should be avoided. This principle has generally been upheld in the past and has benefited process automation in the financial services industry greatly.

Over the last few years, the financial market infrastructure has evolved in a way which may put that principle at risk. In the case of ISO standard 6166 in particular, the National Numbering Agencies typically used to be affiliated with stock exchanges or central securities depositories which were operated as user-governed, non-profit organizations. Increasingly, these market infrastructure operators convert themselves from cooperative-type structures to publicly traded, for profit-oriented business groups. If an NNA is part of such organization, there is the danger that the ISIN and similar ISO standards could be discovered by their administrators as a potentially significant revenue source.

We understand that ISO directives foresee that ISO Registration Authorities must not levy fees from their national members (except if expressly authorized by the ISO Council to do so). However, those national members are not under the same obligation vis-à-vis the standard users, and the ISO-appointed Registration Authority may not be in a position to exert influence on its national members to that effect. If NNAs serving major markets began to routinely impose license fees for the use of ISIN codes by the market participants, then the market participants would be likely to seek alternative solutions. They would resort back to proprietary financial instrument identifiers, which would seriously damage industry-wide process automation, at the cost of less efficiency and higher operational risk.

ISSA wishes to strongly recommend to ISO to close this gap before it is widely recognized as a potential "business opportunity". ISO directives should make it clear that NNAs must not charge license or similar fees for the use of ISO standards in market users' business activities.

In the case of ISIN in particular, institutional market participants typically obtain ISIN codes (and other types of reference data) not directly from the NNAs, but from wholesale financial instrument data vendors, such as Reuters, Bloomberg, Telekurs, WM Daten Service, for which service they are charged subscription fees. Such practice is not contested and not the subject of any concern. Market participants, however, should have the comfort to expect that the service fee they pay to their direct supplier, gives them unrestricted use of all data consumed and covers all costs, including any that might be incurred further upstream. We would like ISO to see to it that an NNA cannot levy fees from both the wholesale distributors and at the same time from individual clients of those distributors.

Lately, this issue has become a vivid discussion topic in the context of European capital market integration and it has been highlighted mainly by European banks. It is, however, a general issue of best practice and successful industry standardization and therefore of relevance to the global financial services industry. It is for this reason that ISSA wishes to bring it to ISO's attention.

Thank you very much in advance for your consideration. Should you wish to discuss this issue, please do not hesitate to contact us.

Very truly yours,

International Securities
Services Association



Urs Stähli
ISSA Secretary



Peter Gnepf
Administrator

ISSA Member Institutions, as of September 2007

Market Infrastructure	Market Participants
<p style="text-align: center;">ASX Limited, Sydney</p> <p>Brazilian Clearing and Depository Corp., São Paulo</p> <p style="text-align: center;">Bursa Malaysia Bhd, Kuala Lumpur</p> <p style="text-align: center;">Caja de Valores S.A., Buenos Aires</p> <p style="text-align: center;">Canadian Depository for Securities Ltd., Toronto</p> <p style="text-align: center;">Central Depository Agency Inc., Zagreb</p> <p style="text-align: center;">Central Depository AD, Sofia</p> <p style="text-align: center;">Central Depository Company of Pakistan Ltd., Karachi</p> <p style="text-align: center;">Central Registry Agency Inc., Istanbul</p> <p style="text-align: center;">Central Securities Depository of Lithuania, Vilnius</p> <p style="text-align: center;">Central Securities Depository and Clearing House of Serbia, Belgrade</p> <p style="text-align: center;">Clearstream International, Luxembourg</p> <p style="text-align: center;">DCV, Santiago de Chile</p> <p style="text-align: center;">Depository Clearing Company, Moscow</p> <p style="text-align: center;">Depository Trust & Clearing Corp., New York</p> <p style="text-align: center;">Euroclear Bank SA/NV, Brussels</p> <p style="text-align: center;">Hellenic Exchanges Group, Athens</p> <p style="text-align: center;">Hong Kong Exchanges and Clearing Limited</p> <p style="text-align: center;">Iberclear, Madrid</p> <p style="text-align: center;">Icelandic Securities Depository, Reykjavik</p> <p style="text-align: center;">Interbolsa, Porto</p> <p style="text-align: center;">Istanbul Stock Exchange, Istanbul</p> <p style="text-align: center;">Japan Securities Depository Center, Tokyo</p> <p style="text-align: center;">Japan Securities Clearing Corporation, Tokyo</p> <p style="text-align: center;">KDD Central Securities Clearing Corporation, Ljubljana</p> <p style="text-align: center;">Keler Private Ltd., Budapest</p> <p style="text-align: center;">Korea Securities Depository, Seoul</p> <p style="text-align: center;">KPDW, Warsaw</p> <p style="text-align: center;">Madrid Stock Exchange, Madrid</p> <p style="text-align: center;">Malta Stock Exchange, Valetta</p> <p style="text-align: center;">Maroclear S.A., Casablanca</p> <p style="text-align: center;">National Depository Center, Moscow</p> <p style="text-align: center;">NCSD Group, Stockholm/Helsinki</p> <p style="text-align: center;">New Zealand Stock Exchange Ltd, Wellington</p> <p style="text-align: center;">Oesterreichische Kontrollbank AG, Vienna</p> <p style="text-align: center;">Omgeo, Boston</p> <p style="text-align: center;">PT KSEI, Jakarta</p> <p style="text-align: center;">S.D. INDEVAL S.A. de C.V., Mexico City</p> <p style="text-align: center;">Singapore Exchange, Ltd., Singapore</p> <p style="text-align: center;">SIS SEGA INTERSETTLE AG, Zurich</p> <p style="text-align: center;">SWX Swiss Exchange, Zurich</p> <p style="text-align: center;">STRATE Ltd, Johannesburg</p> <p style="text-align: center;">S.W.I.F.T., Brussels</p> <p style="text-align: center;">Taiwan Depository & Clearing Corporation, Taipei</p> <p style="text-align: center;">TAKASBANK, Istanbul</p> <p style="text-align: center;">Thailand Securities Depository, Bangkok</p> <p style="text-align: center;">Tokyo Stock Exchange, Tokyo</p> <p style="text-align: center;">VP Securities Service, Taastrup</p> <p style="text-align: center;">VPS, Oslo</p>	<p style="text-align: center;">ABN-AMRO Bank NV, Amsterdam</p> <p style="text-align: center;">AFTI Assoc. Française des Professionnels des Titres</p> <p style="text-align: center;">ANZ Banking Group Ltd., Melbourne</p> <p style="text-align: center;">The Bank of Tokyo-Mitsubishi UFJ Ltd., Tokyo</p> <p style="text-align: center;">BNP Paribas Securities Services, Paris</p> <p style="text-align: center;">Broadridge Financial Solutions, Inc., New York</p> <p style="text-align: center;">Brown Brothers Harriman & Co., New York</p> <p style="text-align: center;">Bundesverband deutscher Banken, Berlin</p> <p style="text-align: center;">CACEIS Investor Services, Paris</p> <p style="text-align: center;">CIBC Mellon, Toronto</p> <p style="text-align: center;">Citigroup, New York</p> <p style="text-align: center;">Credit Suisse, Zurich</p> <p style="text-align: center;">Danske Bank, Copenhagen</p> <p style="text-align: center;">DnB NOR Bank ASA, Oslo</p> <p style="text-align: center;">Deutsche Bank AG, Frankfurt</p> <p style="text-align: center;">Deutsche WertpapierService Bank AG, Frankfurt</p> <p style="text-align: center;">Dresdner Kleinwort, London</p> <p style="text-align: center;">European Banking Federation, Brussels</p> <p style="text-align: center;">Franklin Templeton Investments, Ft Lauderdale</p> <p style="text-align: center;">Hong Kong and Shanghai Banking Corporation, HK</p> <p style="text-align: center;">HSBC Holdings plc, London</p> <p style="text-align: center;">ING Securities Services, Amsterdam</p> <p style="text-align: center;">International Capital Market Association (ICMA)</p> <p style="text-align: center;">Intesa Sanpaolo S.p.A., Milan</p> <p style="text-align: center;">JP Morgan, New York</p> <p style="text-align: center;">KAS BANK N.V., Amsterdam</p> <p style="text-align: center;">Kredietbank S.A., Luxembourg</p> <p style="text-align: center;">Mizuho Corporate Bank Ltd., Tokyo</p> <p style="text-align: center;">Morgan Stanley, New York</p> <p style="text-align: center;">NAB Custodian Services, National Australia Bank, Melbourne</p> <p style="text-align: center;">National Nominees Ltd., Auckland</p> <p style="text-align: center;">Nikko Cordial Securities Inc., Tokyo</p> <p style="text-align: center;">Nomura Securities Co. Ltd., Tokyo</p> <p style="text-align: center;">Nordea, Oslo</p> <p style="text-align: center;">Northern Trust Company, Chicago</p> <p style="text-align: center;">PFA Pension, Copenhagen</p> <p style="text-align: center;">RBC Dexia Investor Services, London</p> <p style="text-align: center;">Schroder Investment Management Limited, London</p> <p style="text-align: center;">SEB Merchant Banking, Stockholm</p> <p style="text-align: center;">Standard Chartered Bank, Singapore</p> <p style="text-align: center;">State Street Bank, Boston</p> <p style="text-align: center;">Stock Holding Corporation of India Ltd, Mumbai</p> <p style="text-align: center;">Svenska Handelsbanken, Stockholm</p> <p style="text-align: center;">UBS AG, Zurich</p> <p style="text-align: center;">Westpac Custodian Nominees Limited, Sydney</p> <p style="text-align: center;">Xchanging Transaction Bank GmbH, Frankfurt</p>