

Guidelines for the maintenance of ISO 10962 Classification of Financial Instruments

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FOREWORD

These Guidelines cover the activities of the ISO 10962 Maintenance Agency ((ISO 10962/MA). This document is a non-normative guide to the operation of the ISO 10962 registration and maintenance process and, as such, provides operational clarification on matters beyond those contained in the standard. These Guidelines will be publicly available from the ISO 10962 MA in electronic form.

1. Scope

This document provides an overview of the procedure for the registration, publication and maintenance of CFI Codes and associated data records issued in accordance with ISO 10962.

It describes the core roles and responsibilities of the different stakeholders intervening in the registration, publication and maintenance of CFI Codes and focuses on the registration and ongoing long-term maintenance of CFI Codes and associated data records.

2. Normative References

ISO 10962 – Classification of Financial Instruments (CFI) specifies the CFI code structure. Copies of ISO 10962 can be obtained from <http://www.iso.org>

3 Roles and Responsibilities

3.1 ISO 10962 Maintenance Agency and Secretariat

3.1.1 Responsibilities of the ISO 10962/MA

- a) To determine the necessary conditions to be fulfilled for Categories, Groups, and Attributes to be added, changed, or deleted from ISO 10962.
- b) To establish and maintain a process in conjunction with the ISO 10962/MAS whereby users can apply for changes to the CFI, where the term “user” is meant to include all users of the standard, including but not limited to market participants (asset managers, broker/dealers, trading firms, and their trade associations), custodians, clearing entities, reporting entities, regulators, and all issuers of CFI values (for example, national numbering agencies, the ANNA Derivatives Service Bureau, trading venues).
- c) To create, amend and delete Categories, Groups, and Attributes of ISO 10962 (Classification of financial instruments) as needed, in consultation with the appropriate users, as necessary, and with the RA for ISO 20022 (universal financial industry message scheme) and the RA for ISO 6166 (International securities identification numbering system);

- d) Understand and take account of the impact of ISO 10962 updates on national regulations compliance (where CFI is a required reporting field), and the impact on financial industry CFI usage in general;
- e) To advise users regarding the issuing of new codes, amendments and deletions by issuing electronic communications announcing changes made to the list;
- f) To update and disseminate the code list for ISO 10962;
- g) To establish additional rules for the practical application of the principles for assigning codes.
- h) To establish and maintain a process whereby users can submit queries in relation to clarifications and/or interpretations of ISO 10962 in conjunction with the ISO 10962/MAS;
- i) To respond to queries received from users in a timely manner and, where necessary, capture items for further review and consideration including consultation with the appropriate users, as necessary
- j) To determine procedures for publication and dissemination of the ISO 10962 code list in consultation with the ISO 10962/MAS.

3.1.2 Composition of the Maintenance Agency

The membership of ISO 10962/MA is reserved for TC 68/SC 8 P-members and liaison-A organizations approved by the ISO Council. Each P-member and liaison-A organization should endeavour to ensure that their representative on the MA has the expertise and knowledge of how the CFI is used in practice to carry out the role of the MA as described in 3.1) appropriately. Associate memberships shall be available to Registration Authorities and Maintenance Agencies responsible for other ISO standards deemed relevant by ISO TC68/SC8, i.e. possibly directly impacted by changes in ISO 10962. Associate members are non-voting.

The list of members is maintained by the ISO 10962/MAS.

3.1.3 Responsibilities of Maintenance Agency Members

Members are expected to respond and comment without delay within specified time limits on ISO 10962/MAS requests and attend meetings of the ISO 10962/MA, as required.

Recurrent failure to perform these duties will be reported by the ISO 10962/MAS to TC 68/SC 8 Secretariat for escalation if needed.

3.1.4 Secretariat to the Maintenance Agency

The ISO 10962/MA is served by a secretariat (ISO 10962/MAS), as designated by the ISO Council. (See also 4.2).

3.1.5 Responsibilities of the ISO 10962/MAS

3.1. 5.1 To maintain, publish and disseminate the procedures (including voting procedures), prepare material for external contacts and advise applicants of the outcome of change requests.

3.1.5.2 To maintain the documentation and communicate with ISO 10962/MA members and other interested parties.

3.1.5.2 On behalf of the ISO 10962/MA members, the ISO 10962/MAS may contact governmental and non-governmental organizations and experts at a working level when needed or when requested by the ISO 10962/MA for the maintenance of ISO 10962.

4 Working procedure

4.1 Principles

4.1.1 Given the potential impact of changes to the CFI on users, the ISO 10962/MAS should consult with the ISO 10962/MA with regard to any proposed revision. This may be undertaken by correspondence or a meeting (virtual or physical) as appropriate. In the event that a meeting is required, the ISO 10962/MAS shall consult the ISO 10962/MA members with regard to the convening of such meeting. The maintenance process shall be as expedient as possible.

4.1.2 The ISO 10962/MA members shall have regard to the impact on users, including backward compatibility, versus the benefit when determining to create, amend or delete a category, group or attribute under the standard. The frequency of changes shall be kept to a minimum to reduce operational impact.

4.1.3 Where a value is modified with substantive changes in definition or deleted, that value and/or definition shall remain part of the published code list for an appropriate period of deprecation (i.e. when its use shall be discouraged but not prohibited). The ISO 10962/MA shall determine on a case-by-case basis whether such period should last indefinitely or if the deprecated value or definition ultimately should be deleted and, if so, after what period. Such determination shall take into consideration the specific nature of the change and its potential impact on users. Deprecation periods should be reviewed on an ongoing basis by the ISO 10962/MA to determine if deprecated values can be removed from the standard in cases where usage of the deprecated value has ceased.

4.1.4 The ISO 10962 code list shall include metadata that identifies the version, the release date, and the reason for the change.

4.2 Application procedures

4.2.1 Changes to the ISO 10962 code list

When the ISO 10962/MAS receives an application by a user requesting the creation of a new Category, Group, or Attribute, or an amendment or a deletion to the lists, it shall validate the application according to the criteria described in Annex A.

If the request meets all of the criteria described in Annex A, the ISO 10962/MAS shall submit a proposal for the change to the ISO 10962/MA for review and approval.

4.2.2 Principles for the allocation of Categories, Groups, and Attributes

The need for a new Category, Group, or Attribute shall be evidenced by a substantiated application (see Annex A), which may be submitted by any user.

4.3 Voting procedures

4.3.1 Each P-member participant in the ISO 10962/MA shall have one vote. Votes shall be cast by the individually named members representing voting member bodies. Members shall actively cast their votes (i.e. approve, reject with justification or abstention). Liaison and Associate members are invited to comment on ballots but are not entitled to vote.

4.3.2 Failure to reply within the period specified by the ISO 10962/MAS shall be considered as a non-response, as opposed to an abstention. The ISO 10962/MAS shall track non-responses by ISO 10962/MA membership. Recurrent failure to perform these duties will be reported by the ISO 10962/MAS to ISO/TC 68/SC 8 secretariat for escalation if needed.

4.3.3 The ballot period shall be *six weeks*.

4.3.4 Changes shall be balloted and shall be considered as approved if at least a two-thirds majority (66.66%) of the votes received vote for approval, excluding abstentions and non-responses, subject to a minimum vote participation (including abstentions) representing at least 50.1% of 'P' Country members of the ISO 10962/MA.

4.3.5 If after the first ballot the required majority is not reached, the ISO 10962/MAS in conjunction with the requestor shall modify the proposal, taking into account the comments received, and shall submit the modified proposal for a second vote. The second ballot shall be accompanied by all comments received for the first vote. The second ballot shall require the same majority as the first ballot.

4.3.6 In exceptional cases, when a positive outcome has not been reached after the first two ballots, a further vote may be balloted by the ISO 10962/MAS if it is believed that a third ballot will result in achieving the required majority to a modified proposal drafted after consultation with dissenting members and the resolution of their comments. The third ballot shall require the same majority as the first ballot.

4.3.7 When the Maintenance Agency is unable to obtain a clear expression of opinion from the ISO 10962/MA after the third vote, the ballot shall be abandoned.

5 CFI Code Publication and dissemination

The ISO 10962/MAS shall, in line with the ISO reasonable and non-discriminatory (RAND) principle, make sure that users of ISO 10962 can access and use the CFI Code list made available by the ISO 10962/MAS.

After positive decisions on changes, as described in 4.3, the ISO 10962/MAS shall publish the results of the approved code values. Approved updated ISO 10962 code list values are queued for official publication in the next release.

The CFI code list will be made publicly and freely available online by the ISO 10962/MAS with a clear reference to the ISO 10962 standard.

6 Release schedules

The ISO 10962/MA considers, with input from users, as necessary, the potential disruption and cost to implementers of any update to the CFI code list. As far as possible, updates will be consolidated and no more frequent than annually, unless there are regulatory or market demands that must be met sooner.

Annex A

Information to be provided by applicants for the issuance of new codes, and for amendments and deletions (check list)

Applications for the issuance of new codes, amendments and deletions to the code sets are to be made by users. The applicant shall provide the following information:

- a) name of requesting entity;
- b) description of change request, where Add denotes a new entity (where entity is a Category, Group, or an Attribute), Modify denotes modification of the description or name of an entity, Delete denotes removal of an entity.

Category: Add, Modify, Delete

Group: Add, Modify, Delete

Attribute: Add, Modify, Delete

Meta data and descriptive changes (proposed full definition, annotation, and example(s)) for any entity: Add, Modify, Delete

- c) requirements;
- d) reason for application;
- e) date of implementation (indicate if special conditions of urgency apply);
- f) application submitted by (name, address, telephone, e-mail address and website of applicant);
- g) date of application.

Applications shall be addressed to:

The Secretariat (To be determined)

In the event of a deletion of Category, Group, and/or Attribute, the Secretariat will ensure that no other value refers to the deleted portion.

Annex B

B1. Membership list of the ISO 10962/MA

The membership of the Maintenance Agency is approved by the ISO Council.

It consists of voting members one individually named representative from each of the following ISO member bodies

- a) China;
- b) France;
- c) Italy;
- d) Luxembourg;
- e) Slovenia;
- f) Spain;
- g) Switzerland;
- h) United Kingdom
- i) United States.

B2. Members of organizations in liaison with TC 68/SC 8 (non-voting)

One individually named representative from the following Liaison A organizations:

- a) ECB;
- b) SWIFT;
- c) FIX Trading Community.