



DANISH SECURITIES DEALERS ASSOCIATION



Asociación  
de Mercados  
Financieros

SWEDISH  
SECURITIES DEALERS  
ASSOCIATION



Bundesverband der Wertpapierfirmen

17<sup>th</sup> January 2014

Dear Members,

We, the associations, would like to raise your awareness of the requirement to use legal entity identifier (LEI) codes under the EMIR Regulation in Europe<sup>1</sup>.

EMIR requires with effect from **12 February 2014**, counterparties and CCPs that conclude, modify, or terminate a derivative contract should ensure that the details of that contract are reported to a trade repository. In addition to reporting information about the OTC derivative, exchange traded future or option, the reporting counterparty will need to identify itself and its counterparty using standard entity identifiers known as "legal entity identifiers" or LEI. A LEI is required in any such report, unless the customer is an individual.<sup>2</sup>

LEIs are also referred to as pre-LEIs but this will only continue until the central governance is complete. The actual code will remain unchanged.

Application for an LEI is a relatively simple process. There is a list of endorsed issuers, or pre-LOUs, at the LEI Regulatory Oversight Committee (ROC) website ([www.leiroc.org](http://www.leiroc.org)), and on the following page.

At this stage, it is important to note that an LEI from an endorsed pre-LOU is the only way of ensuring that the code can be accepted by regulators in both Europe and the USA where there are similar reporting requirements for trades effected under CFTC rules. The list of endorsed pre-LOUs will expand as the ROC meets and determines that they meet the criteria. The current list can be found at [http://www.leiroc.org/publications/gls/lou\\_20131003\\_2.pdf](http://www.leiroc.org/publications/gls/lou_20131003_2.pdf)

We would strongly encourage you to check that your LEI details are up to date or if required, apply for an LEI at the soonest possible opportunity. A pre-LOU is required to validate the data you provide when a request is made. Turnaround times are currently longer than a day and there is no guarantee that you will receive your pre-LEI on the same day that you apply for it.

Consequently, we encourage all member firms to do the following:

**Check** that you have appropriate LEIs for all counterparties involved in OTC and Exchange Traded Derivatives;

**Request** an LEI with a pre-LOU if none has been assigned to you (or with an endorsed pre-LOU if you intend to use the identifier in multiple jurisdictions).

We strongly recommend that you request an LEI at the soonest possible opportunity.

Additional detail on the Legal Entity Identifier initiative is available at [www.gfma.org/lei/](http://www.gfma.org/lei/).

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<sup>1</sup> Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ("EMIR") entered into force on 16 August 2012. On 19 December 2012 the European Commission adopted without modifications the regulatory technical standards developed by ESMA. These technical standards were published in the Official Journal on 23 February 2013 and entered into force on 15 March 2013.

<sup>2</sup> [http://www.esma.europa.eu/system/files/2013-1527\\_emir\\_questions\\_and\\_answers\\_2013\\_m10\\_d22.pdf](http://www.esma.europa.eu/system/files/2013-1527_emir_questions_and_answers_2013_m10_d22.pdf)

Yours sincerely,

, acting on behalf of the trade associations

## Endorsed pre-LOUs of the Interim Global LEI System (GLEIS)

Pre-LOU	Contact Information
WM Datenservice	<a href="https://www.geiportal.org">https://www.geiportal.org</a>
Institut National de la Statistique et des Etudes Economiques (INSEE)	<a href="https://lei-france.insee.fr">https://lei-france.insee.fr</a>
CICI utility	<a href="https://www.ciciutility.org">https://www.ciciutility.org</a>
Takasbank	<a href="http://www.takasbank.com.tr/en/Pages/LEI.aspx">http://www.takasbank.com.tr/en/Pages/LEI.aspx</a>
London Stock Exchange	<a href="http://www.lseg.com/LEI">http://www.lseg.com/LEI</a>
Irish Stock Exchange	<a href="https://www.isedirect.ie">https://www.isedirect.ie</a>
Russia National Settlement Depository (NSD)	<a href="https://www.nsd.ru/en/services/lei">https://www.nsd.ru/en/services/lei</a>
Poland Krajowy Depozyt Papierów Wartościowych S.A. (KDPW)	<a href="http://www.kdpw.pl/en/business/LEI/Pages/default.aspx">http://www.kdpw.pl/en/business/LEI/Pages/default.aspx</a>
Dutch Chamber of Commerce (KvK)	<a href="http://www.kvk.nl/english/how-to-register-deregister-and-report-changes/legal-entity-identifier-lei/">http://www.kvk.nl/english/how-to-register-deregister-and-report-changes/legal-entity-identifier-lei/</a>
National Board of Patents and Registration of Finland (PRH)	<a href="http://www.prh.fi/en/uutislistaus/2013/P_1048.html">http://www.prh.fi/en/uutislistaus/2013/P_1048.html</a>

Additionally, NordLEI has established a link with the CICI Utility allowing it to issue pre-LEIs for customers. For further information, please see <http://www.nordlei.org/index>

Also, Bundesanzeiger Verlag ([www.ceireg.de](http://www.ceireg.de)) is able to issue pre-LEIs. However, as stated on their website, it is not yet an endorsed pre-LOU, so pre-LEIs cannot be used for the purpose of EMIR and Dodd-Frank-Act reporting yet.

All information correct as at 14<sup>th</sup> Jan 2014

Taken from [http://www.leiroc.org/publications/gls/lou\\_20131003\\_2.pdf](http://www.leiroc.org/publications/gls/lou_20131003_2.pdf)

Other prefixes have been assigned by the ROC but ESMA requires pre-LEI issued by endorsed pre-LOUs.