

Factsheet Legal Entity Identifier (LEI) and reporting financial transactions

Contents

Information on the legal entity identifier (LEI code)	2
Why is an LEI necessary?	2
Who needs an LEI code?	2
What is an LEI code and how is it structured?	2
Does a legal entity need an LEI code even if it does not carry out financial transactions?	3
What information does the LEI register contain?	3
Who has to apply for an LEI code?	3
Where are LEI code applications submitted?	3
Practical advice when applying for an LEI code	3
How much does an LEI code cost?	3
Reportable financial transactions.....	4
Reportable transactions	4
Non-reportable transactions	4

Information on the legal entity identifier (LEI code)

Why is an LEI necessary?

Starting 3 January 2018, the European rules governing investor protection (MiFID II Directive 2014/65/EU with the associated MiFIR Regulation (EU) No 600/2014) will require (reportable) transactions in financial instruments to be reported to the competent national supervisory authority. (In Liechtenstein, this is the Financial Market Authority). An absolute prerequisite for this transaction reporting is the unambiguous identification of the client using a uniform identification number, namely the legal entity identifier. Without this LEI code, no reportable transactions will be permitted starting on that date.

Who needs an LEI code?

Legal entities require an LEI code. Under the ISO 17442:2012 standard, legal entities are all legal forms that are legally or economically responsible for the execution of a financial transaction or that have legal capacity under the legal order governing them.

This means that based on current knowledge, the following company forms will in principle require an LEI. The list should be considered a general guide. If you have any questions whether your legal form is covered by the LEI requirement in your domicile, please ask a legal expert or your competent supervisory authority.

- Limited companies (public or private)
- Associations
- Cooperatives
- Foundations
- Commercial partnerships (e.g. general and limited partnerships)
- Registered partnerships
- Corporate bodies (e.g. special purpose associations, business chambers, churches)
- Establishments

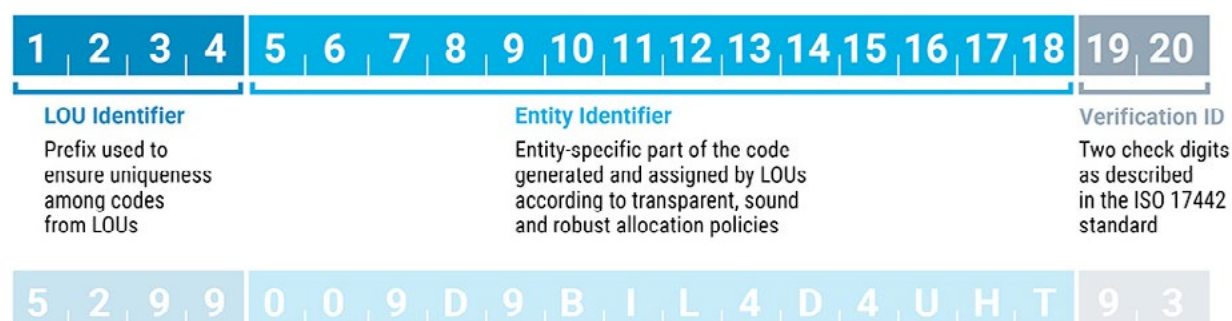
For the following company forms, identification with an LEI code is permissible but not yet required. For reasons of practicality, however, we recommend identification with an LEI code for companies with many members or a high number of securities transactions.

- Unregistered or civil law partnerships
- Communities of heirs, homeowner associations
- Investment clubs
- Registered sole traders, sole proprietorships, small traders

Instead of an LEI code, these company forms may also identify themselves by providing the national identification number of all of their members (generally the passport number).

What is an LEI code and how is it structured?

The LEI (legal entity identifier) code is a unique worldwide identifier for the identification of the contractual parties to a transaction. The LEI code consists of a random 20-digit combination of letters and numerals according to a specially developed ISO standard (17442:2012).



Example of an LEI-code. Source: <https://www.wm-leiportal.org/>

Does a legal entity need an LEI code even if it does not carry out financial transactions?

No, as long as no financial transactions are carried out, no LEI code is required. But because obtaining an LEI code does take some time, we recommend applying for one early on if you are considering financial transactions in the future.

What information does the LEI register contain?

LEI codes are publically accessible, including the following and other data: the LEI code, the business name, the registered office, and the head office.

Who has to apply for an LEI code?

The legal person or its governing body is required to apply for the LEI code and have it extended annually. The LEI can be looked up at the following link: www.lei-lookup.com

Where are LEI code applications submitted?

The LEI code is granted by specially authorised service providers, the Local Operation Units (LOUs). LOUs are authorised by the Legal Entity Identifier Regulatory Oversight Committee (LEI ROC) (www.leiroc.org). The LEI ROC was established in November 2012 on the initiative of the G20 states and the International Financial Stability Board (www.gleif.org). A list of LOUs can be found at: www.gleif.org

Practical advice when applying for an LEI code

LEI codes from one of the LEI providers are obtained by way of a user account that you can set up with the LEI provider using an email registration process.

You will need:

- a current commercial register extract (or comparable founding documents)
- the signature of a governing body entered in the Commercial Register or authorisation by that body
- VAT ID: if available or needed
- In the case of a parent-subsidiary relationship, the LEI code of the parent company

Other information:

- address of the registered office and of the head office (if different)
- contact information
- authorised persons

Additional details can be found on the website of the LEI provider in question.

How much does an LEI code cost?

In addition to one-off application fees (about EUR 100 plus tax), there are annual costs for one-year extensions of the LEI code (about EUR 80 plus tax). The fees differ depending on the provider.

Reportable financial transactions

Reportable transactions

All securities that can be traded on an EEA trading venue

- Stocks
- Bonds
- Warrants
- Structured products
- FX forwards
- FX swaps
- FX OTC options

Non-reportable transactions

- Fund subscriptions and redemptions
- Money market and fiduciary investments
- Medium-term notes
- FX spot transactions

Disclaimer

The information published and opinions expressed in this document are for informational purposes only and follow the aim of giving a general overview of the issues that are addressed herein. This document is a summary of a specific legislation and regulation, irrespective of other laws that might be applicable, and cannot reflect all nuances. The information published in this document has been prepared with care, however, the bank accepts no liability for the information provided being up to date, accurate and complete. The bank does not offer legal advice. Nothing published in this document constitutes such advice. It should therefore not be used as a basis for taking legally relevant decisions. For such advice please consult your own professional advisor. The bank disclaims, without limitation, all liability for any loss or damage of any kind, including any direct, indirect or consequential damages, which might be incurred through the use of or access to the information published in this document.