

### Unlocking the True Value of ISIN Codes: Understanding Eligibility

International Securities Identification Numbers, or ISIN codes, play a vital role in uniquely identifying securities, including those issued by investment funds. This twelve-digit alphanumeric code provides valuable information, with the first two letters denoting the issuer's jurisdiction of incorporation, the following nine characters identifying the security itself, and the last digit acting as a check digit to prevent counterfeiting. Since their adoption in 2003, ISIN codes have become an integral part of the international standard for allocating unique identifiers to securities, significantly minimizing the risk of errors in identifying securities.

In Luxembourg, Clearstream is responsible for issuing ISIN codes for domestic issues.



Clearstream issues two types of ISIN codes: eligible and non-eligible ISIN codes. It is crucial to understand that entities seeking to have their securities accepted within a clearing and depository system must undergo an eligibility assessment and submit an acceptance request to Clearstream. Once pre-qualified by Clearstream, these issuers will obtain eligible ISIN codes for their securities. This unlocks a superb opportunity to sell their securities to end-investors through established trading platforms and exchanges (including, the Luxembourg Stock Exchange), ensuring smooth and secure transfers of and payments for securities between the issuer and the buyers via their respective credit institutions.

Conversely, the utility of an ineligible ISIN code is significantly limited. Such ineligible ISIN codes find practical application primarily in internal tracking or identification within the issuer entity, serve as unique identifiers in legal agreements, prospectuses, private offering memoranda, and internal databases for reference and informational purposes, as well as are used to comply with the relevant regulatory and reporting obligations.

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