

ISSA

INTERNATIONAL SECURITIES
SERVICES ASSOCIATION



"ISSA brings together interested experts
and expert interests from all over the world"

- A brief introduction

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Website: www.issanet.org

ISSA



Background - why ISSA?

A custodian's world in the early seventies – the term "Global Custody" was not coined yet:

- ◆ Lack of knowledge about securities processing in foreign markets
- ◆ Lack of timely and efficient access to relevant information
- ◆ Lack of an international discussion forum for "back office" specialists

- ◆ But growing awareness of operational risk, and of the need to educate and innovate



"The front office cannot possibly earn as much on a single transaction as the back office can lose."

- Dr Wolfgang Röller, Honorary Chairman, Dresdner Bank

Milestones in ISSA's Growth

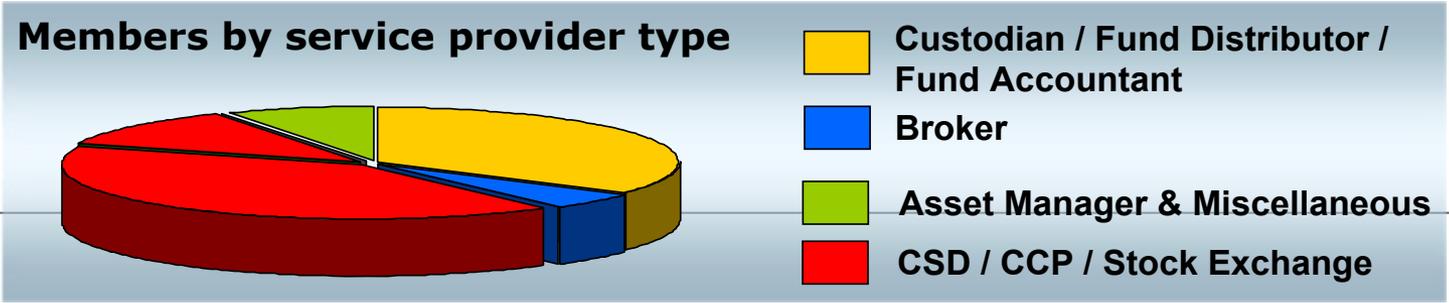
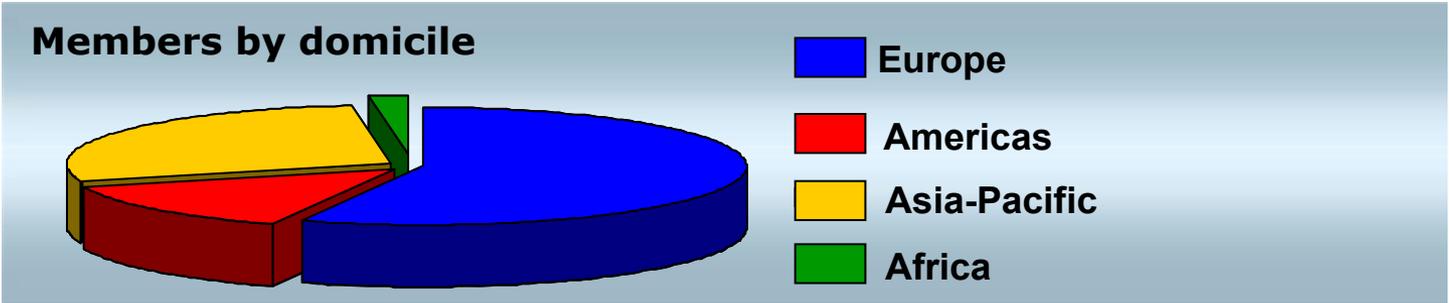
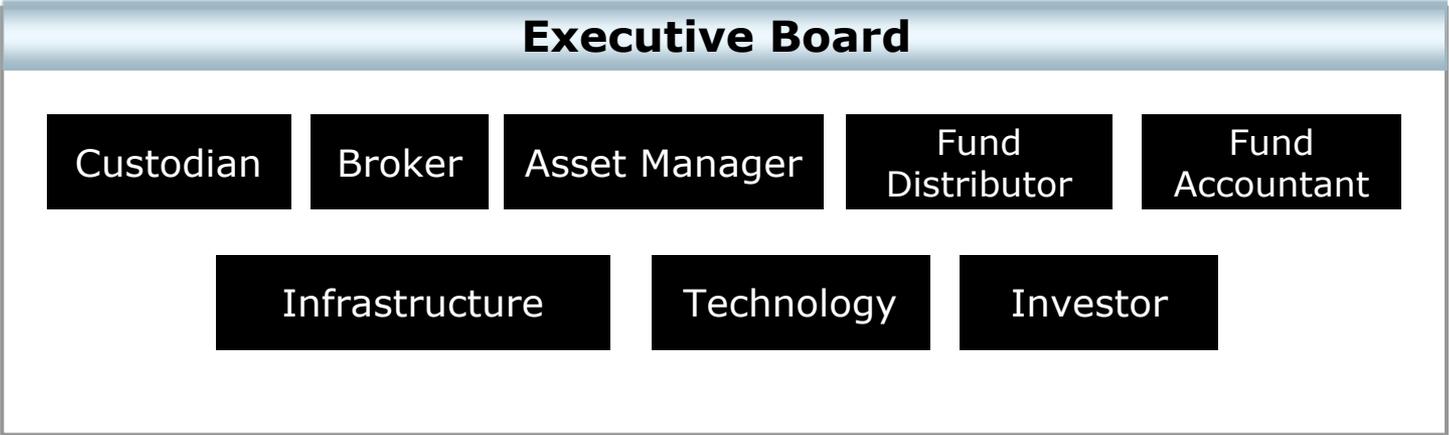
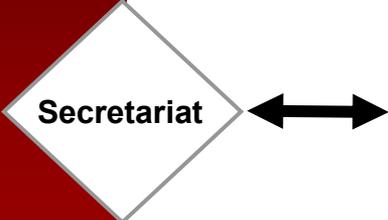
- ◆ 1975: ISSA informally set up by UBS and Citibank; a circle of business partners
- ◆ 1988: Representation in 25 markets, seven sponsor banks
- ◆ 1989: Incorporation as a legal entity (association) under Swiss law
- ◆ 2009: 12 sponsors, 84 members in 45 markets, across the value chain

ISSA's objective:

**ISSA provides leadership
in the formulation and promotion of best practice
to improve efficiency and risk management
in the global asset servicing industry.**

ISSA is global, cross-industry and non-partisan

Governance and Membership



Governance and Membership

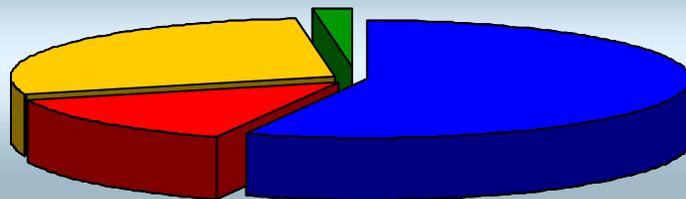
Secretariat



Executive Board

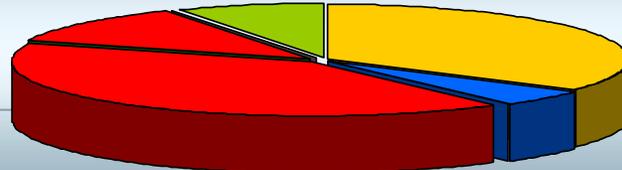


Members by domicile



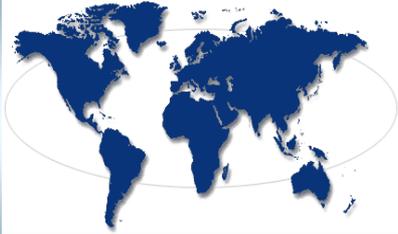
- Europe
- Americas
- Asia-Pacific
- Africa

Members by service provider type



- Custodian / Fund Distributor / Fund Accountant
- Broker
- Asset Manager & Miscellaneous
- CSD / CCP / Stock Exchange

Strengths



Global reach and access

Personal contacts to senior leaders
in 45 markets, across the value chain



Combined market weight

Sponsor group and key members process
a significant portion of the world's
total securities transaction volume



Ability to link stakeholders

ISSA is a global cross-industry association
and well recognized for its neutrality

Select ISSA Projects

ISSA made major contributions towards...

- ◆ defining a standardized format for Eurobond certificates
- ◆ developing the ISIN code
- ◆ establishing the Clearstream - Euroclear Bridge
- ◆ proposing a model to standardize corporate action types
- ◆ raising awareness to risk issues in clearers and central depositories
- ◆ raising awareness to the impact of the Euro on securities operations
- ◆ disseminating market knowledge through the *ISSA Handbook*
- ◆ wording and implementing the 1989 G30 Recommendations
- ◆ extending G30 through the *ISSA Recommendations 2000*
- ◆ drafting the "new" G30 Recommendations published in 2003
- ◆ compliance monitoring on select G30 Recommendations
- ◆ streamlining mutual funds processing (with EFAMA, ongoing)
- ◆ defining best practice for OTC Derivatives valuation

ISSA does not lay claim to the ownership of success. We see ourselves as facilitators and often hand over ground work to the most effective party to implement a solution.

