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Financial services – Unique Product Identifier (UPI)

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Foreword

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The procedures used to develop this document and those intended for its further maintenance are described in the ISO/IEC Directives, Part 1. In particular, the different approval criteria needed for the different types of ISO documents should be noted. This document was drafted in accordance with the editorial rules of the ISO/IEC Directives, Part 2 (see www.iso.org/directives).

Attention is drawn to the possibility that some of the elements of this document may be the subject of patent rights. ISO shall not be held responsible for identifying any or all such patent rights. Details of any patent rights identified during the development of the document will be in the Introduction and/or on the ISO list of patent declarations received (see www.iso.org/patents).

Any trade name used in this document is information given for the convenience of users and does not constitute an endorsement.

For an explanation of the voluntary nature of standards, the meaning of ISO specific terms and expressions related to conformity assessment, as well as information about ISO's adherence to the World Trade Organization (WTO) principles in the Technical Barriers to Trade (TBT), see www.iso.org/iso/foreword.html.

This document was prepared by Technical Committee ISO/TC 68, *Financial services*, Subcommittee SC 8, *Reference data for financial services*.

Any feedback or questions on this document should be directed to the user's national standards body. A complete listing of these bodies can be found at www.iso.org/members.html.

Introduction

The G20 Leaders agreed in 2009 that over-the-counter (OTC) derivatives contracts should be reported to trade repositories as part of their commitment to reform OTC derivatives markets in order to improve transparency, mitigate systemic risk and protect against market abuse. Aggregation of the data reported across trade repositories can enable authorities to obtain a comprehensive view of OTC derivatives market and activity.

Standardisation and harmonisation of identifiers and data elements is crucial for global data aggregation. The motivation behind the Unique Product Identifier (UPI) is to uniquely identify OTC derivative products, as defined by a specific set of reference data elements, for the purpose of regulatory reporting to trade repositories.

Whilst the primary drivers of the UPI are regulatory reporting, the UPI could also serve other purposes other than regulatory reporting, such as pre- and post-trade processes performed by market participants and financial market infrastructures.

As a result of implementing this International Standard, a unique UPI Code will be assigned to each distinct OTC derivative product that is reportable to trade repositories and maps to a set of reference data elements having specific values that together describe the product. The collection of UPI reference data elements and their values for each product will be stored in the UPI reference data library.

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Financial services – Unique Product Identifier (UPI)

1 Scope

This document specifies the elements of an unambiguous scheme to identify OTC derivative products that are reportable to trade repositories, in particular:

— the structure and format of the UPI code

— the minimum data elements of the UPI reference data library, together with their allowable values

At a minimum, the UPI code is applicable to OTC derivative instruments falling under the following categories of the Classification of Financial Instruments (ISO 10962):

— Swaps (S)

— Forwards (J)

— Non-listed and complex listed options (H)

— Others (miscellaneous) (M)

2 Normative references

The following documents are referred to in the text in such a way that some or all of their content constitutes requirements of this document. For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

ISO 4217, *Codes for the representation of currencies*

ISO 10962, *Securities and related financial instruments – Classification of financial instruments (CFI) code*

ISO/IEC 7064, *Information technology — Security techniques — Check character systems*

3 Terms and definitions

For the purposes of this document, the following terms and definitions apply.

ISO and IEC maintain terminological databases for use in standardization at the following addresses:

— ISO Online browsing platform: available at https://www.iso.org/obp

— IEC Electropedia: available at http://www.electropedia.org/

3.1
OTC derivative instrument
financial instrument that is, or would be, identified by an ISIN with the prefix 'EZ' or 'ZZ'

Note 1 to entry: Details regarding how the prefix of an ISIN is determined can be found in ISO 6166:2020, Annex A.

3.2
OTC derivative product
group of OTC derivative instruments that share common values for a set of data elements specified within the UPI reference data library, as determined and published by the UPI Service Provider

3.3
UPI Reference Data Library
set of data comprised of reference data elements with specific values that together describe the product

3.4
UPI service provider
organisation designated by an external body of financial regulators to assign UPIs and operate the UPI reference data library

Note 1 to entry: At the time of publication this external body is the Regulatory Oversight Committee, confirmed by the Financial Stability Board as the International Governance Body for the globally harmonised identifiers used to track OTC derivatives transactions.

4   UPI code structure

The UPI code consists of 12 alphanumeric characters decomposed as follows:

— the two-character prefix "QZ"

— nine alphanumeric characters (upper case A-Z and 0-9 only, excluding the vowel characters (A, E, I, O, U) and the character Y) without separators or special characters

— one alphanumeric check character (A-Z and 0-9 only, excluding the vowel characters (A, E, I, O, U) and the character Y), calculated using the method specified in Annex C.

5   UPI reference data library

The Reference Data Library (RDL) is a set of reference data elements, together with their values, which is properly organized and maintained by the UPI service provider. The library associates UPI codes with the values of the reference data elements characterizing the product.

The definitions of the minimum set of UPI reference data elements are described in Annex A.

The minimum UPI reference data elements by asset class and instrument type are described in Annex B.

Annex A
(informative)

Definitions of the minimum set of UPI reference data elements

Data element name	Data element description
Asset class	Indicates whether the asset, benchmark or another derivatives contract underlying a derivatives contract is, or references, an equity, rate, credit, commodity or foreign exchange asset.
Instrument type	Indicates whether the instrument is a swap, option, forward or "other" type of derivative instrument.
Currency associated with a reference rate	The currency to which the market reference rate or index relates.
Delivery type	Indicates whether a derivatives contract will deliver a physical asset or a cash equivalent at settlement.
Notional schedule	Indicates whether a notional schedule is constant, amortising, accreting or custom.
Option style	Specifies when an option can be exercised. The value "European" specifies that an option can only be exercised on the expiration date; "American" specifies that an option can be exercised any time up to and including on the expiration date; and "Bermudan" specifies that an option can be exercised only at specified times during the life of the contract. Bermudan-style options include variations such as Canary- and Verde-style options.
Option type	Specifies whether an option gives the buyer the right to buy the underlying, i.e. "Call", the right to sell the underlying, i.e. "Sell", or the right to choose whether to buy or sell the underlying at the time of exercise, i.e. "Chooser".
Return, pricing method or payout trigger	Return values indicate how a contract's payout is determined; Pricing Method values indicate how a contract is valued; Payout Trigger values indicate an event that would result in a contract paying out.
Seniority	Indicates the seniority of the debt security, or debt basket or index underlying a derivative.
Settlement currency	For a cash-settled contract, the currency to be delivered at the time of settlement.
Single or multiple currency	Indicates whether a single or multiple currencies underlie a derivative.
Single or interpolated reference rate tenor	Indicates whether the derivative references a single floating rate tenor or the linear interpolation of two different floating rate tenors.
Standard Contract Specification	The name of an existing document or reference that provides standard terms and conditions to be applied to the contract having the underlying asset or benchmark identified by the Underlier ID and Underlier ID source for which the UPI is assigned.
Underlier ID	An identifier that can be used to determine the asset(s), index (indices) or benchmark underlying a contract or, in the case of a foreign exchange derivative, identification of the currency pair or index.
Underlier ID source	The origin, or publisher, of the associated underlier ID.
Underlier type	A high-level description of the characteristics of an asset, index, commodity base product, or contract underlying a derivative.
Underlier sub-type (first level)	A lower-level description of the characteristics of an asset, index, commodity sub-product, or contract underlying a derivative.
Underlier sub-type (second level)	A further lower-level description of the characteristics of an asset, index, commodity sub-product, or contract underlying a derivative.
Underlying credit index series	A number reflecting the constituents of an index for a given period of time.

Data element name	Data element description
Underlying credit index version	A number reflecting any changes to the constituents of an index during the lifetime of the series.
Underlying rate index tenor period	The unit of time for the tenor of an index (e.g. day, week, month).
Underlying rate index tenor period multiplier	The number of time units for the tenor of an index.
Underlying contract tenor period	The unit of time used for specifying the period of time between the effective and maturity dates of a derivative contract underlying another derivative contract.
Underlying contract tenor period multiplier	The number of time units used for specifying the period of time between the effective and maturity dates of a derivative contract underlying another derivative.
Underlying debt issuance tenor period	The unit of time used for specifying the period of time between the effective and maturity dates of a debt issuance (e.g. bond, loan, note) underlying a credit derivative.
Underlying debt issuance tenor period multiplier	The number of time units used for specifying the period of time between the effective and maturity dates of a debt issuance underlying a credit derivative.