# MSCI PRODUCT FILES CHANGES RELATED TO SEDOL LICENSING

MSCI Product Management

## March 2016

**Changes since last communication sent on December 21, 2015:**

- Update for clients/vendors WITH a SEDOL license: No file changes in October 2016; Legacy files no longer being discontinued on October 21 2016
- Update reflected in the following attachment that is attached to this communication:
  - **MSCI_ no_Sedol_licenses_files_mapping_updated.xlsx**
  - **MSCI_Global_Equity_Products_XML_files_November2015_updated.xlsx**
- Clarification on ICF files, GICS announcement, ACE files and Index Monitor
- Additional custom files available for vendors

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# 1 INTRODUCTION

The London Stock Exchange ("LSE") recently contacted MSCI Inc. regarding their current licensing policies for the use and distribution of SEDOL identifiers ("SEDOLs"). Effective April 1, 2016, any client who receives SEDOLs as part of an MSCI index product or via MSCI's Models Direct analytic product (collectively, the "Products") must have a license directly from the LSE to receive and use those SEDOLs.

MSCI has been undertaking development work in recent months to deliver versions of the Products that do not contain SEDOLs for those clients who do not have a direct license from the LSE or do not wish to receive SEDOLs as part of the Products.

If you wish to receive versions of the Products that contain SEDOLs, please send MSCI (clientservice@msci.com) a confirmation that you have a SEDOL license with the LSE (we will then be required to confirm with LSE that such a license is in place), as soon as possible after receipt of this notice.

If you wish to receive SEDOLs in the Products, but do not yet have a license in place, please contact the LSE SEDOL License Team at sedol@lseg.com.

From April 1, 2016, if MSCI has not received approval from LSE to continue providing SEDOLs to you as part of the Products, MSCI will be required to provide you with the version of the Products that does not contain SEDOLs.

MSCI will conduct a technical consultation with clients between May and July 2016 on appropriate ways to distribute non-MSCI security identifiers through its files in order to assess any possible related future file changes. Following clients' feedback, MSCI plans to communicate the consultation's findings by October 2016. Any potential conclusions that may trigger future file changes will take into account an implementation/transition timeline of at least 12 months, from its announcement.

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## 2 CLIENTS AND VENDORS WITH SEDOL LICENSE

Direct Delivery clients or vendors that have confirmed they have a SEDOL license to MSCI and MSCI has been able to confirm this with the LSE **before** April 1, 2016 will NOT be impacted by any file changes in April or in October. MSCI has decided to put a hold on file changes to clients with a confirmed SEDOL license. These clients will continue to receive their current security files with SEDOL codes, including post the previously communicated and now obsolete deadline of October 21, 2016.

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# 3 CLIENTS AND VENDORS WITHOUT SEDOL LICENSE

*The new sections are intended for clients or vendors who do not have a SEDOL license with LSE (London Stock Exchange). Clients with SEDOL license should refer to the previous section.*

## A. OVERVIEW

- **Standard Modules**
  - E.G. – DM, EM, AP Core Modules. Full list is provided in the appendix
- **Other Modules delivering Derived Indexes**
  - E.G. – Factor, ESG, and Thematic Modules. Full list is provided in the appendix

By March 31, 2016, clients without SEDOL license will have to transition to new packages and files.

New files for standard products as per the excel file attached have been distributed in parallel of the existing ones (the 'legacy' files hereafter), since October 5, 2015.

These new files have the exact same format as the legacy ones but with different nomenclature, with the exception that the security files (e.g. D15. / DNS.; D98. / DCO.) do not contain either SEDOL or CUSIP data. Clients who have been receiving CUSIP codes in their main security files will also receive a new Code Map file (e.g. D98..CUS / DCO..CUS), which will contain CUSIP identifiers.

Please note that other identifiers (e.g. ISIN) - not subject to licensing - will not be affected by these changes. Index files and security files that do not include CUSIP or SEDOL will not change, but will be re-packaged along with the new files.

Modular ICF files (MSCI Factor/ESG/Thematic Standard and IMI MSCI MPF Modules) will continue to be delivered through the current format, the Integrated Client File (ICF) Format. However, a RIF version (excluding SEDOLs) is available and provided in parallel delivery since October 5, 2015. Clients who do not have SEDOL License will receive the RIF only version starting April 1, 2016.

- In addition to RIF version, a SEDOL code mapping file with '.SED' suffix has also been provided since October 5, 2015 to subscribing clients. .SED files delivery will be discontinued to clients who do not have SEDOL license.
- The "CUS" files will not be available as these modules currently do not include CUSIP data.

Effective with the packages dated April 1, 2016, the legacy files will be discontinued for clients and vendors not holding a SEDOL License (last distribution of legacy files will be March 31, 2016).

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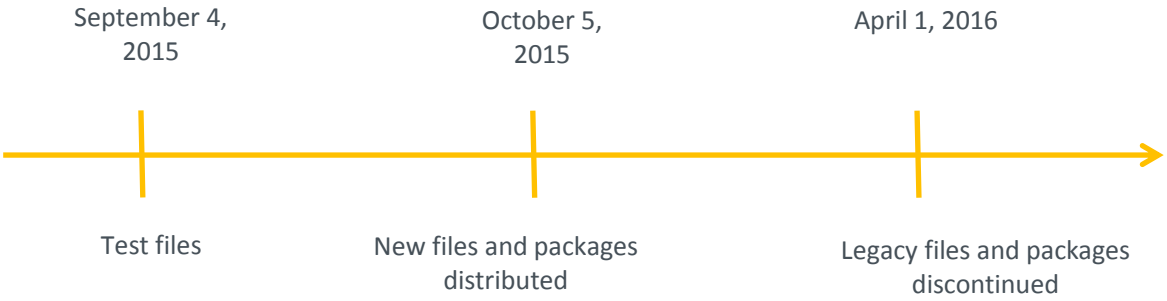
**Schedule of Implementation for Standard Modules and Derived Indexes being delivered via other modules (e.g. Factor; ESG and/or Thematic)**




**Example**

| Client Id License | Package | File | 1-Apr-16 | Product File Example |
|---|---|---|---|---|
| SEDOL | Legacy Main Package | Legacy Security File (with SEDOL or with CUSIP & SEDOL) | No change | D15D |
| | | Legacy Code Map File (with SEDOL or with CUSIP & SEDOL) | No change | D98D |
| | | Index Files and not Impacted Security Files | No change | D51D |
| No SEDOL | Legacy Package | Legacy Security File (with SEDOL or with CUSIP & SEDOL) | Package and files discontinued | D15D |
| | | Legacy Code Map File (with SEDOL or with CUSIP & SEDOL) | Package and files discontinued | D98D |
| | | Index Files and not Impacted Security Files | Only available in new package | D51D |
| | ***New Package A*** New Main Package '.RIF' | New Security File: '.RIF' (without SEDOL and CUSIP) | Official file | D15D.RIF |
| | | New Code Map File: '.RIF' (without SEDOL and CUSIP) | Official file | D98D.RIF |
| | | Index Files and not Impacted Security Files | Official file | D51D |

Nomenclature:

1) New security files without CUSIP and SEDOL will have a suffix: '.RIF';
   - Original Core DM Module Security File – **D15D**
   - New Core DM Module Security File – **D15D.RIF**

2) Code map files that will include CUSIP for clients who do not have a SEDOL license but have a CUSIP license will have a suffix: '.CUS':
   - Daily CUSIP Code Map file for Daily DM Core Module – **D98D.CUS**

**The mapping of the legacy packages and files with the new ones is available as an attachment to this technical communication (MSCI_ no_Sedol_licenses_files_mapping.xlsx).**

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## B. Package Delivery Timing

The new packages will be delivered concurrently with the existing (legacy) files, at the indicative times below.

Standard Time (Non DST)

| Distribution | Eastern Standard Time (EST) UTC-5 | Central European Time (CET) UTC+1 | Western Standard Time / Hong Kong Time (WST) UTC+8 |
|---|---|---|---|
| Asia Pacific (AP) | 12:30 – 01:00pm on day t | 6:30 – 7:00pm on day t | 01:30 – 02:00am on day t+1 |
| Europe | 03:45 – 04:15pm on day t | 9:45 – 10:15pm on day t | 04:45 – 05:15am on day t+1 |
| ACWI | 09:00 – 09:30pm on day t | 03:00 – 03:30am on day t+1 | 10:00 – 10:30am on day t+1 |

*Times are based on Eastern Standard Time (non DST). Hence packages delivered to other regions may change slightly during DST/Non DST time adjustment period in other regions.*

Daylight Saving Time

| Distribution | Eastern Daylight Time (EDT) UTC-4 | Central European Time (CE) UTC+2 | Western Standard Time / Hong Kong Time (WST) UTC+8 |
|---|---|---|---|
| Asia Pacific (AP) | 12:30 – 01:00pm on day t | 6:30 – 7:00pm on day t | 00:30 - 01:00am on day t +1 |
| Europe | 03:45 – 04:15pm on day t | 9:45 – 10:15pm on day t | 03:45 - 04:15am on day t+1 |
| ACWI | 09:00 – 09:30pm on day t | 03:00 – 03:30am on day t+1 | 09:00 - 09:30am on day t+1 |

*Times are based on Eastern Daylight Time (DST). Hence packages delivered to other regions may change slightly during DST/Non DST time adjustment period in other regions.*

Note that t corresponds to the calculation date of the index, or the file date. For example the Asia Pacific files dated September 12, which contain index levels as of September 12, will be available at around 12:30pm EST and 6:30 CET on September 12, but at 00:30am WST on September 13.

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# 4 MSCI DERIVED INDEXES AND CUSTOM INDEXES BEING DELIVERED ON A STAND-ALONE BASIS (E.G. NOT THROUGH A MODULE)

Individual ICF and Single Market Open File packages for MSCI Derived Indexes such as MSCI Custom, Thematic and Strategy, or ESG Indexes, will continue to be delivered through the Integrated Client File (ICF) Format:

- Clients/vendors with a license to SEDOL identifiers will have no change in their existing ICF files
- Clients/vendors **without** a license to SEDOL identifiers will:
  a) Continue to receive their existing ICF file (e.g. with the same file name) with the SEDOL identifier being blanked, or;
  b) Receive new ICF file(s) (e.g. with new file names) with the SEDOL identifiers being blanked. Impacted clients will be contacted individually. In such cases, new packages (labeled with a suffix 'R' added to the end of the current package code) will be delivered through the same delivery mechanism as the existing package:
     - As an example:
       - Current Package with SEDOL: 'D_1234_'
       - New Parallel package without SEDOL: 'D_1234R'

Test ICF and Single Market Open files incorporating all datasets with blanked SEDOL information is available at the following link:

https://www.msci.com/sample-files

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## 5 GICS ANNOUNCEMENTS

Contrary to previous announcements, files pertaining to the Global Industry Classification Standard (GICS) changes that are sent to clients via the E-mail channel will not be impacted and SEDOL identifier fields will continue to populate.

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# 6 ACE FILES

Clients with SEDOL license will have no change in the ACE file that is currently receiving. Clients without SEDOL license will refer to the RIF version which will have the SEDOL column blanked.

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# 7 INDEX MONITOR

Clients with license to SEDOL identifiers will have no change in viewing SEDOL identifiers from Index Monitor.

Clients without SEDOL license will not be able to view such information from Index Monitor (SEDOL column will be blanked).

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## 8 CUSTOM 10/40 PACKAGES FOR VENDORS

The following custom 10/40 packages for Vendors will have an RIF version created for Vendors without a SEDOL License:

| Legacy Package | New RIF version |
|---|---|
| d_v1040.zip | drv1040.zip |
| d_v104a.zip | drv104a.zip |
| d_v104e.zip | drv104e.zip |
| d_v1140.zip | drv1140.zip |
| d_v114a.zip | drv114a.zip |
| d_v114e.zip | drv114e.zip |
| d_v1240.zip | drv1240.zip |
| d_v124a.zip | drv124a.zip |
| d_v124e.zip | drv124e.zip |

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# 9 APPENDIX: FURTHER DOCUMENTATION

- Mapping for new files and packages:
  - MSCI_no_Sedol_licenses_files_mapping.xlsx
- *MSCI_Global_Equity_Products_XML_files_November2015_updated.xlsx* provides the XML file and package names
- Custom test files are available in the below link:
  - https://www.msci.com/sample-files
- List of Standard Modules:

| | | | |
|---|---|---|---|
| Core DM Module | Core VG Plus DM Modules | Small Cap DM Module | DM Sector Module |
| Core EM Module | Core VG Plus EM Module | Small Cap EM Module | EM Sector Module |
| Core AP Module | Core VG Plus AP Module | Small Cap AP Module | AP Sector Module |
| Islamic Core Plus DM Module | DM Economic Exposure Security Data Modules | Market Open Index Core DM Module | Market Open Index Core VG Plus DM Module |
| Islamic Core Plus EM Module | EM Economic Exposure Security Data Modules | Market Open Index Core EM Module | Market Open Index Core VG Plus EM Module |
| Islamic Core Plus AP Module | DM Small Cap Economic Exposure Security Data | Market Open Index Core AP Module | Market Open Index Core VG Plus AP Module |
| Islamic Small Cap Plus EM Module | EM Small Cap Economic Exposure Security Data Module | Market Open Index Small Cap AP Module | Market Open Index Small Cap DM Module |
| Market Open Index Islamic Core DM Module | Market Open Index Islamic Core EM Module | Market Open Index Islamic Core AP Module | US REIT Core Module |
| US Equity Broad Market Module | US Equity Prime Market Module | US Equity Small Cap Module | US REIT Index Module |
| US Sectors Direct | Country Classification | | |

- List of Other Modules delivering Derived Indexes:

| | | | |
|---|---|---|---|
| Factor IMI Module | Thematic IMI Module | MPF IMI Module | ESG IMI Module |
| Factor Standard Module | Thematic Standard Module | MPF Standard Module | ESG Standard Module |
| Real Estate Index Module | | | |

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