

Summary of Public Comments on Proposed Revisions of "Specific Setting Method" related to the Use of Roman Alphabet Characters in Securities Codes

March 31, 2022

Securities Identification Code Committee

The Securities Identification Code Committee (SICC) published its proposed revisions to the "specific setting method" related to the use of Roman alphabet characters for securities codes on February 16, 2022 and sought public comments until March 16. As a result, SICC received three comments. The comments and SICC's response thereto are summarized below.

Number	Comment	SICC's Response
1	<ul style="list-style-type: none"> So we can communicate with our customers in advance and conduct a survey of technological impact, we would like to ask SICC to set aside enough time between the announcement of the implementation schedule and the actual implementation. 	<ul style="list-style-type: none"> In order to secure enough time for code users to prepare, SICC will begin to assign alphabet letters to codes issued from January 1, 2024.
2	<ul style="list-style-type: none"> As the 5th digit of the securities code identifies the type of security, such as new stock, we ask that alphabet letters not be assigned to the 5th digit. 	<ul style="list-style-type: none"> A securities code comprises a 4-digit specific name code and a 1-digit reserved code. This measure is to ensure enough assignable codes remain by allowing alphabet letters to be assigned to the 2nd and 4th digits of the specific name code, as well as the reserved codes. However, when alphabet letters are used for a reserved code, JICC will set aside a preparation period for code users by amending "Guideline of Setting, Change, and Deletion of Stock and Bond Codes."
3	<ul style="list-style-type: none"> When it comes to assigning alphabet letters to reserved codes, we believe that SICC is preparing itself for the emergence of new classes of securities and rights. If that is the case, we have to review our accounting processing and systems to incorporate such new classes of securities and rights. We would like to ask for the announcement of the change to be made with a mind to leaving enough preparation time. 	

Respondents: 1, 2 = Rakuten Securities, Inc. 3 =Nomura Research Institute, Ltd.