

# verifiable LEI (vLEI) Ecosystem Governance Framework Appendix 2 vLEI Issuer Qualification Program Manual vLEI Issuer Qualification Program



## Appendix 2: vLEI Issuer Qualification Program Manual

This vLEI Issuer Qualification Program Manual is provided to Candidate vLEI Issuers as supplemental user guide in support of the Qualification process.

### About this Manual

The purpose of this document is to provide an overview of the Qualification Program, which is required for all Candidate vLEI Issuers seeking to become Qualified vLEI Issuers of the verifiable LEI (vLEI) Ecosystem. In order to support the integrity of the vLEI Ecosystem, Qualified vLEI Issuers must incorporate the vision and requirements of the verifiable LEI (vLEI) Ecosystem Governance Framework (vLEI Ecosystem Governance Framework) within their operations.

Candidate vLEI Issuer are responsible for reviewing the Qualification Program materials posted by GLEIF on its website and determining if they wish to proceed and be evaluated for qualified status.

### Qualification Program Tools

Candidate vLEI Issuers can start the Qualification Program by sending an e-mail to [qualificationrequest@gleif.org](mailto:qualificationrequest@gleif.org) attaching a signed NDA, Appendix 1 to the vLEI Issuer Qualification Agreement, which can be obtained at [www.gleif.org](http://www.gleif.org).

Prior to requesting to start the Qualification Program, Candidate vLEI Issuers and their relevant parents must have Active and Issued LEIs, to be able to provide on Appendix 3, the vLEI Issuer Qualification Program Checklist.

The vLEI Issuer Qualification Program Checklist, contains questions that must be answered and documents and other information that must be submitted to GLEIF by the Candidate vLEI Issuer in order to be considered for Qualification.

GLEIF will grant access to authorized representatives and other key contacts of the Candidate vLEI Issuers specified in the vLEI Issuer Qualification Program Checklist. Authorized users also are provided access to a communications portal for the uploading of all materials and documentation which must be submitted to the communications portal, as well as all written communications, to maintain a proper audit trail during Qualification.

# Chapter 1: vLEI Issuer Qualification Program Requirements

## 1.1 Qualification Program Eligibility

Any organization in any geographic location may apply to become a Qualified vLEI Issuer with the exception of a sole proprietorship or “natural person”.

An organization which does not successfully complete the Qualification Program due to timing deadlines or a decision of GLEIF may re-apply for Qualification at a future date of its choosing.

## 1.2 Fundamentals

Every Candidate vLEI Issuer is required to successfully complete the Qualification Program in order to achieve Qualified vLEI Issuer status. The Qualification Program evaluates a Candidate vLEI Issuer’s financial, operational and informational technology capabilities using the self-assessment questionnaire provided by GLEIF which is referred to as the vLEI Issuer Qualification Program Checklist. The specific areas of review are documented in this Manual.

GLEIF believes, as part of its founding principles, that every Candidate vLEI Issuer shall be treated in a fully transparent manner with consistent processes and evaluation criteria.

## 1.3 Certifications

Organizations that hold any of the certificates specified in section B of the vLEI Issuer Qualification Program Checklist may be subject to a simplified Qualification Program, which would allow skipping certain sections of the vLEI Issuer Qualification Program Checklist document, where applicable.

The decision to all Candidate vLEI Issuers to skip sections of the vLEI Issuer Qualification Program Checklist is at the sole discretion of GLEIF.

## 1.4 Organizational Reputation

GLEIF expects all vLEI Issuers to maintain a law abiding and ethical status in the business community.

Concerns or comments brought to GLEIF’s attention regarding Qualified vLEI Issuers will be addressed as well as will be considered during Annual vLEI Issuer Qualification.

## **1.5 Conflicts of Interest**

GLEIF defines a Conflict of Interest (COI) as:

“A set of circumstances that creates a risk that professional judgement or actions regarding a primary interest will be unduly influenced by secondary interest. Primary interest refers to the principal goals of the profession or activity, such as the protection of clients or duties of public office. Secondary interest includes not only financial gain but also such motives as the desire for professional advancement and the wish to do favors for family and friends.”

Given the value and sensitivity of the services that Qualified vLEI Issuers provide, GLEIF will not accept any degree of COI given the irredeemable reputational harm it could cause. The Candidate vLEI Issuer is requested to report any potential COI situation to GLEIF’s Head of vLEI Issuer Qualification Program or explain the circumstances, actions, and remediation implemented to address COI.

## **1.6 vLEI Issuer Requirements**

The vLEI Issuer requirements which Qualified vLEI Issuers must meet are defined in the vLEI Ecosystem Governance Framework and in the vLEI Issuer Qualification Agreement and its Appendices. Key topics GLEIF considers critical to the overall integrity of Qualified vLEI Issuer operations have been included. These are reflected in the questions in the vLEI Issuer Qualification Program Checklist.

When developing the vLEI Issuer Qualification Program Checklist, GLEIF considered and incorporated generally accepted control standards referring to generally accepted models such as ISO, COSO, and COBIT.

## **1.7 Qualification Program Processing Order**

Qualification Program processing order is based on a FIFO (First in First Out) principle depending on the timeliness and completeness of the Candidate vLEI Issuer submissions. Applications which are incomplete and/or require additional documentation may be impacted with significantly delayed processing times which can affect the precedence of the application.

## **1.8 Confidentiality**

Confidentiality is set out in the non-disclosure agreement.

## **1.9. Continuous Improvement of Qualification**

GLEIF will evaluate Qualification Program criteria and process for best practices at least annually. Any material changes to this Manual or the vLEI Issuer Qualification Checklist will be managed per the terms of the vLEI Issuer Qualification Agreement, Section XI, Agreement Change Process.

#### **1.10. Use of Third-Party Assessment Reports in Qualification**

The Candidate vLEI Issuer may integrate the control assessment and reporting requirements for becoming a Qualified vLEI Issuer with independent auditing activity that is carried out with respect to its organization(s). If a Candidate vLEI Issuer has a current third-party opinion/report from independent, qualified internal auditors, external auditors or, regulatory auditors or independent consultants with respect to the subjects included in the Qualification Program Checklist, these reports may be submitted as evidence as the adequacy and effectiveness of internal controls. The Candidate vLEI Issuer must cross-reference such opinions/reports to the appropriate Qualification Program Checklist item and provide direct responses to questions about areas not included in these opinions/reports.

#### **1.11. Use of Third-Party Service Providers as a Qualified vLEI Issuer**

The Qualified vLEI Issuer may utilize third-party service providers for certain functions such as running portions of or its IT, operational infrastructure and administrative functions (e.g., finance, HR) unrelated to vLEI services. The terms and conditions for this are detailed in the vLEI Issuer Qualification Agreement Section II. B, Use of Third-Party Services.

#### **1.12. Letters of Assurance**

It is critical that a Qualified vLEI Issuer maintain its financial viability both in practical terms as well as with respect to the reputation of the Global Legal Entity Identifier System (GLEIS) as a whole. When performing its financial assessment, GLEIF will evaluate both independent information, such as audit reports, as well as unverified information from these reports. This information may be considered as evidence as to the adequacy and effectiveness of internal controls of the Candidate vLEI Issuer, such as operating budgets.

GLEIF, at its sole discretion, may require a Candidate vLEI Issuer to provide a letter of assurance, guarantee or confirmation of financial sources and/or support from the Candidate vLEI Issuer's parent organization(s) indicating its ultimate responsibility for the Candidate vLEI Issuer's financial soundness. If such a document is not provided upon request, GLEIF, at its sole discretion may terminate the qualification program of the Candidate vLEI Issuer.

170

## 171 **Chapter 2: Roles and Responsibilities**

### 172 **1. Candidate vLEI Issuer**

- 173 · Issues a Qualification request
- 174 · Signs a Non-Disclosure Agreement (NDA)
- 175 · Prepares and submits a completed vLEI Issuer Qualification Program Checklist along
- 176 with required information and documentation

177

### 178 **2. GLEIF**

- 179 · Processes all Qualification requests
- 180 · Reviews and evaluates vLEI Issuer Qualification Program Checklist,
- 181 required information and documentation
- 182 · Communicates Qualification decisions
- 183 · Publishes Qualified vLEI Issuers on GLEIF website
- 184 · Monitors Qualified vLEI Issuers' activities and performance

185

## 186 **Chapter 3: The vLEI Issuer Qualification Program Process**

### 187 **3.1 Overview**

188

189 The Qualification Program is in place to ensure that all Candidate vLEI Issuers meet the  
190 minimum financial, operational and technical requirements of the GLEIF and that a Qualified  
191 vLEI Issuer's control environment has reasonable risk mitigation to protect the integrity of the  
192 vLEI operations.

193

194 Throughout the Qualification Program, the Candidate vLEI Issuer is obliged to inform GLEIF  
195 without undue delay about any events or developments which affect the accuracy of  
196 information provided to GLEIF such as changes in legal status e.g., form of incorporation,  
197 change of signatory power of its officers and the like. Such changes could impact the  
198 Qualification Program and/or any agreed time schedule.

199

200 Candidate vLEI Issuers submit all Qualification Program materials via a communications portal  
201 provided by GLEIF. All documents received are date stamped and receipts sent to the  
202 representative of the submitting Candidate vLEI Issuer. Once information and documentation is  
203 designated as 'FINAL', the communications portal is restricted to read-only for users and any  
204 proposed changes will need to be discussed with and approved by GLEIF before taking any  
205 action.

206

207 The Qualification Program is comprised of the steps.

208

209

### **The Candidate vLEI Issuer:**

- Issues a Qualification request;
- Signs a Non-Disclosure Agreement (NDA);
- Prepares and submits a completed vLEI Issuer Qualification Program Checklist along with required information and documentation;
- completes a successful test run of vLEI Issuer operations and use of GLEIF-supplied vLEI software.

### **GLEIF:**

- Receives a valid Qualification request;
- Assigns dedicated GLEIF Qualification Program staff to the Candidate vLEI Issuer Qualification request
- Evaluates vLEI Issuer Qualification Program Checklist, required information and documentation;
- Communicates Qualification decisions;
- Executes the vLEI Issuer Qualification Agreement with all Qualified vLEI Issuers (Note: the vLEI Issuer Qualification Agreement will be the same for all Qualified vLEI Issuers);
- Provides Qualified vLEI Issuers with the GLEIF-supplied vLEI software, the Qualified vLEI TrustMark, access to the communications portal and other requirements specified in the vLEI Issuer Qualification Agreement necessary to begin Qualified vLEI Issuer operations.

## **3.2 Qualification Program Support**

In order to provide for fairness to all Candidate vLEI Issuers, GLEIF does not provide consultative advice to Candidate vLEI Issuers regarding their response to the vLEI Issuer Qualification Program Checklist, information and/or documents. GLEIF expects that the definitions and information on its website serve this purpose. However, a Candidate vLEI Issuer may, upon request, schedule up to two (2) review sessions with GLEIF during the Qualification Program process for the purpose of clarifying program issues and requirements. Each call will be planned for a maximum of one hour's duration.

GLEIF reserves the right to request and schedule review meetings for clarification and will follow the same procedure of providing the Candidate vLEI Issuer with a list of questions in advance depending on the subject and circumstances and setting a mutually agreeable schedule.

## **Chapter 4: Overview of the vLEI Issuer Qualification Program Checklist**

The vLEI Issuer Qualification Program Checklist is comprised of the following sections:





|    |                  |   |
|----|------------------|---|
| 1  | <b>Section A</b> | <b>Contact Details</b>  |
| 2  | <b>Section B</b> | <b>Entity Structure</b>                                       |
| 3  | <b>Section C</b> | <b>Organization Structure</b>                                 |
| 4  | <b>Section D</b> | <b>Financial Data, Audits &amp; General Governance</b>        |
| 5  | <b>Section E</b> | <b>Pricing Model</b>  |
| 6  | <b>Section F</b> | <b>vLEI Issuer Services</b>                                   |
| 7  | <b>Section G</b> | <b>Records Management</b>                                     |
| 8  | <b>Section H</b> | <b>Required Website Items</b>                                 |
| 9  | <b>Section I</b> | <b>vLEI Software</b>  |
| 10 | <b>Section J</b> | <b>Networks &amp; Key Event Receipt Infrastructure (KERI)</b> |
| 11 | <b>Section K</b> | <b>IT Security &amp; Compliance</b>                           |

For initial Qualification and each Annual vLEI Issuer Qualification, the documentation sent by the Candidate or Qualified vLEI Issuer will be added as an annex to each Checklist.

## **Section A Contact Details**

This section requires specific information regarding the Candidate vLEI Issuer's authorized and key contacts for this process. This includes the preparer and approver of the documents and key reference resources (Operations and Finance) who may need to be contacted for additional information and clarification. It most importantly requests information about the Authorized Representative of the Candidate vLEI Issuer who will be the sponsor of the Qualification Request. This person needs to be authorized by the Candidate vLEI Issuer's organization to represent the organization as well as serve as the key senior management sponsor throughout the Qualification Program process.

## **Section B Entity Structure**

This section requires specific information regarding the entity structure of the Candidate vLEI Issuer. The Candidate vLEI Issuer may be a stand-alone organization or part of a larger organization. GLEIF require basic organizational structure information about parent-child relationships, in general, if applicable background information however, the main focus will be on the Candidate vLEI Issuer organization.

For purposes of clarity,

"Government" refers to a Candidate vLEI Issuer which is, or is part of, an administrative agency, nation state or state-owned company.

"Private" is a privately controlled legal entity which is not listed on stock exchange.

"Public-listed" is an entity which is listed on a stock exchange and has shareholders.

"Public-Non-Listed" is an entity which is funded from public sources but does not have stockholders.

"Account Framework" and "Internal Controls Framework" refer to commonly recognized business models in use globally. This is helpful but not essential information.

The Candidate vLEI Issuer is asked to identify any beneficiary ownership associated with their organization.

This section asks the Candidate vLEI Issuer to describe its current audit activities from a variety of sources. This may aid the Candidate vLEI Issuer in identifying any current report from a third-

1 party that could be used to confirm the adequacy of internal controls independent of the  
2 organization. These reports may be accepted by GLEIF in lieu of other documentation if current  
3 and relating to vLEI Issuer services.  
4  
5

## 6 **Section C Organization Structure**

7

8 The purpose of this section is to inform the Candidate vLEI Issuer as to the types of  
9 information/reports which will either be required or may be helpful during the Qualification  
10 Process. A key point to note is that distinctions are made as to what reports would generally be  
11 expected to be in place for certain types of organization. See the “Applicability” columns.  
12  
13

## 14 **Section D Financial Data, Audits & General Governance**

15

16 The purpose of this section is to provide GLEIF with an overview of certain financial and  
17 operational aspects of the Candidate vLEI Issuer.  
18

19 A key point to note is that the Candidate vLEI Issuer must explain clearly how its intended vLEI  
20 Issuer operations will be structured within an organization. For example, it could be a stand-  
21 alone entity with no other affiliations. It could also be a department/function within another  
22 organization.  
23

24 This section applies to the Candidate vLEI Issuer in the context of its parent/owner/controlling  
25 entity, if applicable. All relevant entities need to be represented in the Candidate vLEI Issuer’s  
26 answers.  
27  
28  
29  
30

## 31 **Section E Pricing Model**

32

33 This section requests information from the Candidate vLEI Issuer regarding the fees that the  
34 Candidate vLEI Issuer would intend to charge for certain vLEI Issuer services.  
35  
36

## 37 **Section F vLEI Issuer Services**

38

39 This section consists of questions regarding the operation of the services detailed in Appendix 5  
40 to the vLEI Issuer Qualification Agreement, the vLEI Issuer Service Level Agreement (SLA).  
41  
42

## 43 **Section G Records Management**

44

The purpose of this section is to outline the Candidate vLEI Issuer's obligations regarding historical vLEI information so that the Candidate vLEI Issuer understand the requirements in this area. Records retention and management is critical to the effectiveness of vLEI Operations.

## **Section H Required Website Items**

This section confirms the requirements for display of the Qualified vLEI Issuer TrustMark on the website of the Qualified vLEI Issuer if the Candidate vLEI Issuer successfully completes the Qualification Program.

## **Section I vLEI Software, Section J Networks & Key Event Receipt Infrastructure (KERI) and Section K IT Security & Compliance**

The purpose of these sections is to provide GLEIF with an understanding of certain IT operational practices and technical environment that the Candidate vLEI Issuer maintains on its own or outsources to third parties.

Specifically, infrastructure software qualification will be conducted. This qualification will include the installation of vLEI software by the Candidate vLEI Issuer and the testing of vLEI Credential issuance and revocation, key rotation, remediation of issues, with successful operation to be confirmed by GLEIF. This qualification will be scheduled by GLEIF with the Candidate vLEI Issuer with timing to be agreed by GLEIF and the Candidate vLEI Issuer.

If a Candidate vLEI Issuer has current third-party controls assessment report (e.g., SAS70, SSAE16 SOC2), this report can be submitted as supporting documentation. GLEIF requests the Candidate vLEI Issuer to cross-reference any supplementary report(s) to the vLEI Issuer Qualification Program Checklist items to facilitate qualification evaluation.

## **Chapter 5: Annual vLEI Issuer Qualification**

Annual vLEI Issuer Qualification will be initiated by GLEIF on or after the anniversary date of the vLEI Issuer's date of Qualification.

Using the template provided by GLEIF, the Qualified vLEI Issuer verifies the status of each processing area as mentioned in the Qualification Program Checklist. For areas where significant changes have occurred, the Qualified vLEI Issuer documents the nature and extent of the changes and how it/they affected Qualified vLEI Issuer processing. Supporting documentation must be provided as additional information regarding the change(s).

GLEIF reviews this information and assesses the overall impact of any changes noted in the internal controls. GLEIF determines if the changed internal controls still meet the required control standard and advises the Qualified vLEI Issuer as to whether any remediation action is required.

#### GLEIF Essential Tasks:

- Provide current version of Qualification Program Checklist for Annual vLEI Issuer Qualification and other review materials;
- Provide a communications portal available for uploads;
- Review and evaluate vLEI Issuer self-assessment;
- Confirm adequate levels of compliance with expected controls exists and/or document required remediation activities;
- Ensure that any remediation activities are completed in a timely and complete manner;
- Maintain on GLEIF website the list of all current Qualified vLEI Issuers.

#### Qualified vLEI Issuer Essential Tasks:

- Download the designated Annual vLEI Issuer Qualification materials from [gleif.org](https://gleif.org) when instructed;
- Provide completed current version of vLEI Issuer Qualification Program Checklist (self-assessment) noting all changes in its internal controls within its vLEI Issuer operations;
- Ensure that the LEI of the Qualified vLEI Issuer always maintains an Issued and Active status;
- Ensure that the Qualified vLEI Issuer's credential wallet and private key continue to be controlled by the Qualified vLEI Issuer;
- Provide supporting documentation for any process changes noted;
- Review GLEIF evaluation results with GLEIF;
- Complete any required remediation activities based upon a mutually agreed schedule.

Global Legal Entity Identifier Foundation (GLEIF) St. Alban-Vorstadt 5, PO Box  
4002 Basel Switzerland

[qualificationrequest@gleif.org](mailto:qualificationrequest@gleif.org)

**[www.gleif.org](https://www.gleif.org)**

Chairman of the Board: Steven Joachim

Chief Executive Officer: Stephan Wolf

© 2021 All rights reserved

