**Market Making Pilot Program in Debt Securities of the Republic of Georgia**

MEMORANDUM OF UNDERSTANDING

Whereas:

* The development of the government securities market is a necessary precondition for the capital market development;
* Georgia represented by the Ministry of Finance (hereinafter MoF) with the support of the National Bank of Georgia (hereinafter NBG) plans to establish a Primary Dealer system with the aim of lowering the cost of issuance while establishing a reliable yield curve and attracting new investors into the market. The deepening of the government securities market should contribute to the development of the whole financial market, encourage savings and enable NBG to use indirect instruments of monetary policy;
* The Primary Dealers are expected to contribute to the financial market development by acting as intermediaries between the issuer and the investors, by contributing to the process of diversification of the investor base, and enhancing the secondary market liquidity via regular price quoting and the provision of appropriate trading and settlement infrastructure for every participant of the market.
* To pave the way for the introduction of a fully-fledged Primary Dealer system, it is deemed useful to start with a Market-Making Pilot Program (MMPP) with a more narrow focus than a fully-fledged Primary Dealer system. The aim is to establish a simplified set of duties and privileges in order to better assess benefits and drawbacks and calibrate the system before expanding it to the wider local currency government securities market. This would enable the gradual development of the market making capacity of the financial intermediaries and minimize the financial risks to which they are exposed in the early development stages.
* For the effective implementation of the MMPP it is necessary to detail the main duties and privileges of the parties involved.

THE PARTIES TO THIS MEMORANDUM OF UNDERSTATING HAVE AGREED UPON THE FOLLOWING:

1. **Definitions**

The following terms in this Memorandum of Understanding (MoU) have the meanings defined herein:

* 1. **Buy-Back Operations -** Transaction in which fthe MoF repurchases particular Debt Securities in the secondary market via auction or bilateral transactions;
  2. **Designated** **Benchmark Bonds –** These include, (i) the “on-the-run” [[1]](#footnote-1)[5-year] Treasury Bond at the time the MoU goes into effect, (ii) any new [5-year] Treasury Bond issued after the MoU enters into force, and, (iii) additional select “on-the-run” Debt Securities of the Republic of Georgia which have been assigned a benchmark status by the Market Maker Working Group (MMWG);
  3. **Debt Securities** - Treasury bonds and Treasury bills issued by the MoF on behalf of Republic of Georgia pursuant to the Law of Georgia on Public Debt and denominated in national currency, Georgian Lari (GEL);
  4. **Former Designated Benchmark Bonds** – any Designated Benchmark Bond which has become “off-the-run”[[2]](#footnote-2);
  5. **Market Maker -** Each financial institution appointed as a Market Maker by the MoF in accordance with the terms of this MoU.
  6. **Market-Making Pilot Program** (MMPP)- Initial phase of Primary Dealer system in which duties and privileges of Market Makers are simplified and apply to a subset of the Debt Securities – the Designated Benchmark Bonds;
  7. **Market Maker Working Group (MMWG)-** a body formed by the MoF, the NBG and Market Makers as described in Article 12 below;
  8. **Primary Auction** - A public offering of government securities in compliance with applicable legislative and contractual framework;
  9. **Related Party -** Following entities that are related to the Market Maker or entities over which the Market Maker has control or joint control:

a. The entity and the Market Maker are members of the same group (a parent, a subsidiary, and fellow subsidiary are related to the others);

b. One entity is an associate or joint venture of the other entity (or an associate or a joint venture of a member of a group, of which the other entity is a member);

c. Both entities are joint ventures of the same third party;

d. One entity is a joint venture of a third entity and the other entity is an associate of the third entity;

e. The entity is a post-employment benefit plan for the benefit of employees of the Market Maker or an entity related to the Market Maker.

f. The entity is controlled or jointly controlled by a person, his/her family member and persons related in other ways, if that person:

f.a. Has a control or joint control of the Market Maker;

f.b. Has a significant influence on the Market Maker;

f.c. Is the member of the key management personnel of the Market Maker or of a parent of the Market Maker;

g. A person identified in (f.a) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);

h. The entity, or any member of a group of which it is a part, provides key management personnel services to the Market Maker or to the parent of the Market Maker;

* 1. **Secondary Market Trading** – Refers to trading in Designated Benchmark Bonds and Former Designated Benchmark Bonds between Market Makers, between the Market Makers and investors, between the Issuer and Market Makers or investors, as well as between NBG and Market Makers, as set out in this MoU;

1. **Parties**

The Parties to this MoU are Republic of Georgia as represented by the MoF and NBG, and Market Makers.

1. **Legal Nature of the MoU.**
   1. This MoU is a statement of intent and does not create any binding legal obligation upon the Parties. It establishes the market-making arrangement between the Parties and is without prejudice to any contract or agreement concluded between any one of the Parties, other legally binding obligations, including the requirements of applicable legislation.
   2. Rules defined in the joint Regulation of MoF and NBG “On the Issue, Circulation, Registration and Redemption of Treasury Bills and Treasury Notes Issued by the Ministry of Finance of Georgia” are applied to the Designated and Former Designated Benchmark Bonds.
   3. The list of duties and privileges is not fully exclusive at all times. New duties and privileges for Market Makers may be added or existing rights and obligations may be revised in accordance with the procedure provided in Article 15.2 of this MoU.
   4. The Parties shall settle all disputes and disagreements arising out or in connection with this MoU by means of mutual negotiations and consultations.
2. **Purpose, Scope, and Validity**
   1. The purpose of this MoU is to assist the effective implementation and operation of the MMPP in Republic of Georgia by defining duties and privileges of the Parties.
   2. As initial step towards a fully-fledged Primary Dealer system, the Parties agree to enter into the MMPP in accordance with the terms of this MoU.
   3. The pilot phase will begin on the auction date of the first auction of Designated Benchmark Bonds held after the 1st of October 2020 and continue until otherwise decided by the Parties.
   4. The Parties review the progress regularly, at least semi-annually in the MMWG, and may decide to prolong the MMPP, broaden its scope to additional Designated Benchmark Bonds, switch to a fully-fledged Primary Dealers System or terminate the MoU altogether.
   5. Each individual Market Maker participating in the MMPP will automatically be designated Primary Dealers should a decision be made to switch to a fully-fledged Primary Dealers system unless its appointment as a Market Maker was suspended or terminated, it has not fulfilled its obligations pursuant to this MoU, it has received written notification of non-compliance and not remedied the situation within three months, or deliberately decides not to be a Primary Dealer by giving a written notice.
3. **Selection and Appointment of Primary Dealers**
   1. A Market Maker shall fulfil the following criteria:
      1. To be a financial institution licensed to conduct business in the nature contemplated herein under the laws of the jurisdiction in which it is incorporated;
      2. To have, as assessed by MoF and NBG, a high-quality management, experience with Debt Securities holding, trading, settling, and accounting, dealing capability, a Debt Securities wholesale and retail distribution channel as well as a sound strategy to contribute to the development of the Debt Securities market and diversification of the investor base;
      3. For financial institutions licensed and incorporated under the laws of Republic of Georgia to have been a Georgian Security Settlement System direct or indirect Participant for at least six months at the time of the Application pursuant to Article 5.2 and be in compliance with the relevant minimum capital requirement. For foreign financial institutions licensed from the competent supervisory authority and providing investment services under such license, to have a proven capacity and necessary arrangements to be able to settle the Debt Securities as assessed by NBG;
      4. To have at least two Bloomberg terminals, one for proprietary and one for client operations and to possess all human and technical resources deemed necessary to maintain market making activities;
      5. To fulfill a minimum capital requirement of GEL 5,000,000.
   2. The financial institution that fulfils the criteria provided in Article 5.1, submits an application (form provided in Appendix 1) to the MoF and sends a copy of the application to NBG with a request to be Market Maker.
   3. MoF and NBG assesses the Applicant’s alignment with the eligibility criteria set out in Article 5.1.
   4. MoF and NBG may ask the applicant financial institution to provide additional information and/or documentation to prove the fulfillment of the criteria in Article 5.1.
   5. The applicant financial institution gives the right to the MoF and NBG, and to any party designated by the MoF or NBG, to inspect the relevant documentation and compliance with the operational and other requirements provided in Article 5.1 of this MoU on its premises.
   6. Market Makers are selected by the MoF, upon the consultation with the NBG and upon confirmation from NBG of compliance with the minimum requirements set out in Article 5.1, in four weeks after the receipt of the complete application form.
   7. In case more financial institutions submit an application than the maximum number of market makers considered optimal from a market functioning perspective, MoF may request applicants to submit a business plan of how they intend to contribute to market development and deepening and, after consultation with NBG, choose the financial institutions that meet the minimum eligibility requirements and that in its assessment based on the business plans submitted best contribute to the goals pursued.
   8. The applicant financial institution is informed by the MoF in due course on the appointment of the applicant as a Market Maker or on the rejection of its candidacy.
   9. A financial institution whose application has been rejected may request the MoF to detail the eligibility criteria it does not fulfill and may submit a new application not earlier than [3 months] after the notification of rejection if it deems to have addressed any deficiency.
   10. After the confirmation of the appointment by the MoF, the applicant shall sign this MoU in order to be authorized to act as a Market Maker.
   11. The MoF may, from time to time, accept new Market Makers into the system after a three-month trial period. During the trial period, the applicant Market Maker will have the same duties and privileges as the existing Market Makers, except for the voting right in the MMWG.
   12. A Market Maker may transfer the Market Maker status to its Related Party subject to approval of the MoF and the compliance of its affiliate firm to the criteria laid down in Article 5.1. The approved transferee will not be considered a new Market Maker.
   13. In case a Market Maker transfers all or substantially all of its assets to another entity as a result of merger or any other procedure the new entity may assume the Market Maker status only after the approval by the MoF.
4. **Regular Review and Assessment of Market Makers**
   1. The MoF, in consultation with NBG, will review the performance of the Market Makers, and their compliance with their obligations prescribed in Article 10, semi-annually (or after the completion of the MMPP) based on the information provided by the Market Makers according to Article 14.
   2. Based on the information collected, the MoF, in consultation with the NBG, will rank the Market Makers.
   3. The MoF and the NBG jointly discuss the results of the assessment with each individual Market Maker to identify areas for improvement and the actions that can be undertaken in the pursuit of the common market development objective.
   4. On a quarterly basis, the MoF and the NBG will conduct an interim review of the performance of the Market Makers and will discuss the interim results with any Market Makers whose performance is less than satisfactory, to identify causes and possible remedies on a timely basis.
   5. Market Makers are subject to a continuous monitoring process in order to ensure that they comply with the duties undertaken under this MoU.
5. **Termination and Resignation of Market Makers** 
   1. During the initial six months of the MMPP, the MoF may only terminate the status of Market Maker in case of fraud, gross negligence or proven inability of the Market Maker to fulfill the duties pursuant to this MoU.
   2. Should the MMPP be extended beyond the initial six-month period, the MoF may terminate the status of Market Maker by sending a letter of termination if all the following conditions are fulfilled:
      1. At any time or after the regular review and assessment procedure as prescribed in Article 6 of this MoU, the MoF establishes that a Market Maker does not fulfill its duties pursuant to this MoU or no longer fulfills the eligibility criteria (in whole or in part) of Article 5.1;
      2. The MoF has served a 3-month written notice to comply to the Market Maker in question. Such notice shall explicitly state the specific duties not fulfilled by the Market Maker and/or the eligibility criteria no longer complied with by the Market Maker;
      3. Notwithstanding the notice to comply, after the three-month period, the Market Maker continues to violate its duties under this MoU or is unable to fulfill the eligibility criteria.

## The appointment of the Market Maker will automatically be terminated if its license is revoked or it is being wound up or liquidated or is under insolvency, bankruptcy or other similar procedure, is subject of criminal investigation or breached regulatory requirements. The MoF shall send a letter of termination to the Market Maker indicating the relevant grounds.

* 1. Should the MMPP be extended beyond the initial six-month period, the Market Makers may resign subject to a 2-month written notice to the MoF.
  2. A Market Maker’s termination or resignation entail the loss of the right to be reappointed as a Market Maker in the twelve following months or the right to be appointed as a Primary Dealer if the MMPP is switched to a fully-fledged Primary Dealers System.

1. **Designated Benchmark bonds**
   1. Under this MoU the Designated Benchmark Bond will be the “on-the-run” [5-year] Treasury Bond at the time the MoU enters into force and any new [5-year] Treasury Bond issued after the MoU enters into force.
   2. Over time, the MMWG may designate as Benchmark Bond other Debt Securities with shorter, or longer tenors depending on the decision of the MMWG.
2. **Duties of MoF**

The duties of the MoF are the following:

* 1. It shall have a strategy for issuing Debt Securities: MoF shall accurately plan its debt issuance strategy so as to provide a medium-term horizon for the investment strategy of primary and secondary market agents;
  2. It shall ensure that a minimum set of attractively designed Debt Securities are available;
  3. It shall regularly consult with and update Market Makers on its Medium Term Debt Management Strategy, its short-term issuance plans, and changes thereof and of the features of the Designated Benchmark Bonds;
  4. It shall organize auctions of the Designated Benchmark Bonds according to the applicable legal framework.
  5. The MoF shall target a minimum outstanding amount of the initially Designated Benchmark Bond not lower than GEL 500 million via multiple reopening of the same ISIN. If additional tenors will be designated as Benchmark Bonds, the minimum amount to target will be specified for each additional tenor.
  6. It shall commit to transparency of the selection process of Market Makers.
  7. It shall commit to continuous monitoring and unbiased assessment of Market Makers.
  8. It shall organize regular meetings of the MMWG and regular and *ad hoc* bilateral meetings with Market Makers. .

1. **Duties of Market Makers** 
   1. The Market Maker is obliged to bid regularly at auctions for initial offering or reopening of the Designated Benchmark Bonds, either on his own behalf or for the account of its clients.
   2. The Market Maker shall take orders from clients to the auction charging a maximum fee [of 0.2 %] of the nominal value of the order from the client].
   3. The Market Maker shall purchase for their own account and/or on behalf of clients a minimum [2%] of the Designated Benchmark Bonds issued at competitive auctions to the market in a 6-month period.
   4. The Market Maker shall participate regularly in the secondary market of Designated Benchmark Bonds and of Former Designated Benchmark Bonds, acting in accordance with good market practices and ensuring the liquidity, efficiency and regularity of the trading conditions of these securities.
   5. The Market Maker shall be ready during normal business hours to quote bid and ask prices/yields for the Designated Benchmark Bonds and Former Designated Benchmark Bonds to clients on demand.
   6. The Market Maker shall promote actively a well-functioning secondary market of the Designated Benchmark Bonds and Former Designated Benchmark Bonds and contribute to creating liquidity in the market of these Bonds by quoting prices as specified in indents 1, 2, and 3 of this Article:
      1. Quote firm/committed two-way prices on Bloomberg Trading Platform during the designated trading session from 15:00 to 16:30 for Designated Benchmark Bonds and Former Designated Benchmark Bonds;
      2. Maintain a maximum spread of [75 bps] between quoted bid and ask yields of the Designated Benchmark Bonds;
      3. Maintain a maximum spread of [100 bps] between quoted bid and ask yields of the Former Designated Benchmark Bonds.
   7. Automatically enter into the transaction upon request of other Market Makers and NBG and other Users having access to the same Bloomberg platform, if a bid is hit or an offer is lifted, at the quoted prices for a transaction amount less or equal to GEL 500 000. For transaction amounts exceeding GEL 500 000 the Market Maker is entitled to revise the price on the portion exceeding GEL500 000.
   8. Be ready to quote prices and enter into transactions with additional retail and wholesale clients at quotes substantially equivalent to those quoted in Bloomberg to other Market Makers during the designated trading session.
   9. For the purpose of article 10.8 quotes substantially equivalent to those quoted in Bloomberg to other Market Makers are quotes based on spread between bid and ask yields not significantly higher than those pursuant to Articles 10.6.
   10. The Market Maker undertakes to allocate sufficient personnel and other resources to facilitate a high standard of work quality and commitment to Designated Benchmark Bond trading.
   11. Actively engage in promoting the Designated Benchmark Bonds and Debt Securities via a well-planned market development effort (e.g. by roadshows, meetings with the clients, establishing business relationships, etc.) to be possibly coordinated with the MoF and NBG.
   12. The Market Maker shall regularly report trading in the secondary market for the Designated Benchmark Bonds as determined by Appendix 2 of this MoU, to provide MoF and NBG with the data and give its consent to publish such data in aggregated form without naming clients if required by MoF and/or NBG using the form specified by the MoF.
   13. The Market Maker shall analyze the market for Debt Securities and on an ongoing basis via the MMWG and/or in bilateral meetings inform the MoF and NBG of market conditions and recommend measures that may improve market liquidity and advance market development.
   14. Participate in the MMWG meetings as well as in the bilateral meetings as called by the MoF or NBG.
   15. Hold minimum 50% of Designated Benchmark Bonds and Former Designated Benchmark Bonds in the Available for Sale Portfolio; Hold a sufficient amount of Debt Securities in the Available for Sale Portfolio in order to fulfill clients demand.
   16. Should the amount held pursuant Article 10.15 turn out to be insufficient, the MOF and NBG may set/modify a minimum share of the Debt Securities to be held in the Available for Sale Portfolio differentiating between Designated Benchmark Bonds, Former Designated Benchmark Bonds and other Debt Securities.
   17. A Market Maker shall ensure that their employees engaged in carrying out functions as a Market Maker operate independently of, and do not share information with employees carrying out functions that involve Debt Securities by operating a strict separation by way of 'Chinese Walls' between the employees involved in proprietary trading and clients’ relationship management and advisory.
   18. Be at all times in compliance with applicable laws, regulatory requirements, rules, statutes and orders. It includes the obligation of the Market Maker to have proper procedures in place to ensure that the operations performed on behalf of clients and for their own account are strictly segregated between each other.
   19. Be at all times in compliance with the eligibility criteria prescribed in Article 5.1 of this MoU.
   20. Be open for auditing and inspection, if required by MoF and/or NBG.
2. **Privileges of Market Makers**

The Market Makers shall have the following privileges:

* 1. The right to use the title of “Market Maker for Republic of Georgia”;
  2. Exclusive access to the following facilities provided by MoF and if applicable subject to the contractual arrangements between MoF and Market Makers:
     1. Primary Auctions of Designated Benchmark bonds. Market Makers will be able to submit bids on their own and on behalf of their clients;
     2. Buy-Back operations;
     3. NBG secondary market outright operations on Debt Securities.

## By the decision of the MOF and NBG additional operational facilities may be offered to the Market Makers.

* 1. Successful bidders at the auction have the right to request a non-competitive allocation of the Designated Benchmark Bonds for an amount up to 10 percent of the successful bids of each Market Maker.
  2. The non-competitive allocation pursuant to Articles 11.5 may be requested by Market Makers until the end of the business day following the auction date.

1. **Market Makers Working Group**
   1. The MoF, the NBG and the Market Makers form a working group for the purpose of promoting the smooth operation of the Debt Securities market and to provide a forum for the exchange of information and resolution of problems. The representative of the MoF shall act as chairperson of the MMWP.
   2. Each Party to the MoU shall appoint one member to represent it in the MMWG. In the event that a regular member is unable to attend an MMWG meeting, the concerned party may be represented by a specifically authorized alternate member.
   3. MMWG shall be called at the initiative of the chairperson once a month. An unscheduled meeting for the purpose of considering a specified matter may be called at the request of at least half of the members.
2. **Daily Fixing**
   1. To enhance market transparency of the Debt Securities market the NBG will conduct a daily fixing procedure of Designated Benchmark Bonds and of the Former Designated Benchmark Bonds.
   2. The benchmark fixing takes place by taking a snapshot of the quotations of the Market Makers at any point in time during the daily trading session and calculating the average yield on the basis of the mid-yield of the individual quotations. Special arrangements in case of technical issues is provided in Appendix 2.
   3. The NBG and MoF shall publish the daily benchmark yield fixing together with the individual quotes without naming individual institutions on their websites daily by close of business.
   4. Over time, NBG may use the daily fixing quotes to publish a government reference yield curve interpolating among the available quotes.

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1. **Sharing of Information and Reporting**

* 1. Market Makers undertake to report all outright and repo or reverse repo transactions in Debt Securities in the secondary market. A list of reports and their context is provided in Appendix 3.
  2. Reports shall be submitted in the format as specified by MoF or the NBG.
  3. Market Makers shall stand ready to provide additional information from time to time on a best effort basis on request of MoF and NBG.

1. **Amendments and Termination** 
   1. This MoU may be amended if so agreed by the Parties.
   2. New duties and privileges for Market Makers may be added or existing duties and privileges may be revised by mutual agreement reached in the MMWG.
   3. Technical aspects relating to trading in the secondary markets in Article 10 may be amended by the decision of the MMWG. Such amendments shall require approval of at least two-thirds of the Market Makers, the MoF and NBG. The proposal to make such an amendment must be included in the announcement of the MMWG meeting. Excerpts of the minutes of all meetings in which such amendments are approved shall be attached to this MoU.
   4. The MoF may change the eligibility criteria of the Market Makers from time to time, having a binding effect upon the Market Makers. The Market Makers will be notified at least 3 months in advance of any such change.
   5. No change in the eligibility criteria will take place in the first 6 months after this MoU enters into force.
   6. The list of the reports and their content provided in Appendix 2 can be amended from time to time by the MoF providing sufficient advance notice to Market Makers.
   7. The MoF may terminate the MoU any time.
2. **Miscellaneous** 
   1. All information received by a Party from the other Party will be treated confidentially unless otherwise stated in this MoU or agreed between the Parties or as required by any applicable law or regulation or a binding decision by a court or by a competent authority.

**Appendix 1: Application Form**

16 Gorgasali Str. 0105 Tbilisi

**Application to be recognized as a Primary Dealer in Debt Securities of the Republic of Georgia**

Name of Financial Institution:

Address:

Identification Number:

Name of Authorized Representative Person:

Title:

Phone:

E-mail:

Signature

Date of Application

Appendix 2. Technical Issues during Benchmark Fixing

(i) In the event of a technical issue the Market Maker shall report it immediately to the NBG;

(ii) The Market Maker shall send their bid-offer quote for the fixing to the e-mail addresses of the NBG ([Giorgi.Laliashvili@nbg.gov.ge](mailto:Giorgi.Laliashvili@nbg.gov.ge); [Mamuka.Machaidze@nbg.gov.ge](mailto:Mamuka.Machaidze@nbg.gov.ge); [Irakli.Kvirkvelia@nbg.gov.ge](mailto:Irakli.Kvirkvelia@nbg.gov.ge);) and MoF ([I.Katcharava@mof.ge](mailto:I.Katcharava@mof.ge); [Sopio.Bitsadze@mof.ge](mailto:Sopio.Bitsadze@mof.ge); [I.Khomeriki@mof.ge](mailto:I.Khomeriki@mof.ge); [N.Maisuradze2@mof.ge](mailto:N.Maisuradze2@mof.ge); [T.Kvantaliani@mof.ge](mailto:T.Kvantaliani@mof.ge);).

(iii) The quote shall be binding for the Market Maker during the fixing period.

(iv) This quote shall be taken into consideration when the snapshot of the benchmark quotes is taken.

(v) If due to a wider technical failure more than one Market Makers experience technical difficulties, bid-offer quotes shall be submitted via e-mail and the benchmark fixing shall take place using these quotes and the quotations on the Bloomberg system to establish the benchmark yield.

(vi) In case of frequent technical issues, the MMWG will meet to discuss and propose revision to the benchmark fixing process.

Appendix 3: List of Reports

**Weekly transaction report** which shall include the following information on transactions: trade date, settlement date, execution date, client group (retail, bank, corporation, other credit institution, other financial institution), holds/does not hold Primary Dealer status, resident/nonresident, client unique identifier, ISIN, name, bought/sold, counterpart, reference, nominal value, settlement value, clean prive, yield, status;

**Weekly clients holding report** which shall include the following information for each client’s holding custody accounts: client group (retail, bank, corporation, other credit institution, other financial institution), holds/does not hold Primary Dealer status, resident/nonresident, client unique identifier, ISIN, nominal value (how much of each single ISIN held by investors);

**Weekly Primary Dealer’s holding report** which shall include information for Primary Dealer’s holding custody account with the nominal value held per ISIN (how much of each single ISIN the Primary Dealer holds);

**weekly repo transaction report** which shall include the following information on repo transactions: trade date, settlement date, execution date, maturity date, maturity, ISIN, nominal value, repo amount (First Leg), yield, client group (retail, bank, corporation, other credit institution, other financial institution), holds/does not hold Primary Dealer status, resident/nonresident, client unique identifier, bought/sold, counterpart, special code to identify repo transactions, status, concluded to finance the banks own security holdings or lending to finance clients' purchases of security;

1. On-the-run refers to the latest issued ISIN. [↑](#footnote-ref-1)
2. Off-the-run refers to those ISINs which are not the most recently issued. [↑](#footnote-ref-2)