

PAS 19668:2020

Publication requirements for security tokens – Specification



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Foreword

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It has been assumed in the preparation of this PAS that the execution of its provisions will be entrusted to appropriately qualified and experienced people, for whose use it has been produced.

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Commentary, explanation and general informative material is presented in smaller italic type, and does not constitute a normative element.

Where words have alternative spellings, the preferred spelling of the Shorter Oxford English Dictionary is used (e.g. “organization” rather than “organisation”).

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Introduction

Security tokens permit the digitization of securities in a manner that is expected to increase openness and inter-operability of the financial system. However, the challenge is that there is no cross-blockchain industry-wide standard on how information and properties relating to security tokens should be structured and presented. Without a standard on the presentation of security token information and properties it means that information about security tokens is presented in different formats, in different locations and organized differently. This makes access to such information highly inefficient and increasingly complex for investors and active market participants such as security token custodians, exchanges or similar.

The aim of this PAS is to introduce a cross-chain standard that harmonizes the publication and access of security token attributes as disclosed by the asset issuer. This PAS does not imply any token analysis nor require or provide independent verification of the information.

The PAS is intended to enable the user to search across different blockchain networks for security tokens that have certain properties. For example, using the information standardized through this PAS, a market participant could filter security tokens issued on different blockchains based on jurisdiction alone or investor classification requirements.

Annex A is used by issuers to generate properties for a security token.

1 Scope

This PAS provides requirements for the publication of relevant information and the technical attributes of security tokens.

It covers security tokens issued on any distributed ledger system.

It does not cover utility tokens or unregulated tokens.

This PAS is for use by UK and international security token issuers.

The PAS is also of interest to security token holders, investors in security tokens, security token exchanges and custodians and any other third parties that provides services to the issuers of security tokens, investors in security token and auditors who might be checking conformity.

2 Normative references

The following references are indispensable for the application of this PAS. For dated references, only the edition cited applies. For undated references, the most recent edition of the referenced document (including any amendments) applies.

BS EN ISO 3166-1, *Codes for the representation of names of countries and their subdivisions — Part 1: Country codes*

BS ISO 6166, *Securities and related financial instruments — International securities identification numbering system (ISIN)*

Other publications

[N1] UNITED STATES GOVERNMENT OFFICE OF MANAGEMENT AND BUDGET, North American Industry Classification System (NAICS) 2017. Washington: NAICS¹⁾

¹⁾ Available from < https://www.census.gov/eos/www/naics/2017NAICS/2017_NAICS_Manual.pdf>.