



Organisation intergouvernementale pour les transports internationaux ferroviaires
Zwischenstaatliche Organisation für den internationalen Eisenbahnverkehr
Intergovernmental Organisation for International Carriage by Rail



INTERNATIONAL INSTITUTE FOR THE UNIFICATION OF PRIVATE LAW
INSTITUT INTERNATIONAL POUR L'UNIFICATION DU DROIT PRIVE

**PREPARATORY COMMISSION FOR THE
ESTABLISHMENT OF THE INTERNATIONAL REGISTRY
FOR RAILWAY ROLLING STOCK PURSUANT TO THE
LUXEMBOURG (RAIL) PROTOCOL**

Prep. Comm. Rail/12/Doc. 7
Original: English
February 2024

12th session

Berne/Hybrid session, 7 March 2024

Item n° 8 on the Agenda: Information and discussion on documents related to the functioning of the Registrar:

- Fee schedule (Prep. Comm. Rail/12/Doc. 7. Annex 1)
- Yearly budget over the period 2023-2033 (Prep. Comm. Rail/12/Doc. 7. Annex 2)
- Financial guarantee from or on behalf of the Registrar (Prep. Comm. Rail/12/Doc. 7. Annex 3)
- Insurance or financial guarantee covering the liability of the Registrar according to Article 28(4) of the Convention and Article XV(5) of the Protocol (Prep. Comm. Rail/12/Doc. 7. Annex 4)

In November 2023, the Registrar provided the Ratification Task Force with a document presenting the draft budget for the ten-year term of operations and an indicative fee schedule. The document was submitted to the Ratification Task Force to support the recommendation of the target date for the entry into force of the Protocol in accordance with section 7.1 (e) and 7.2 of the Supervisory Contract.

Following recent changes to the draft Registry Regulations, the fee schedule proposed by the Registrar has been amended. The revised fee schedule (version of 7 February 2024) provided in annex 1 is comprehensive, identifying all Registry Services that will be delivered by the Registrar and the related fees.

The draft budget for the ten-year term of operations prepared by the Registrar remains unchanged and is provided in annex 2.

The memos on the financial guarantee and on insurance coverage at annexes 3 and 4 have been added in support of the document on the budget.



Registry Fee Schedule

7 February 2024

DATE: 7 February 2024

TO: Preparatory Commission

FROM: Regulis S.A. (“The Registrar”)

SUBJECT: Registry Fee Schedule

The following fee schedule is presented to the Preparatory Commission for approval. The schedule is comprehensive, identifying all Registry Services to be delivered by the Registrar and related fees.

The Fee Schedule is presented as a standalone document as related to the Regulations and Procedures. This distinction is implemented to support effective governance over fee setting.

The Fee Schedule has been drafted in a manner that is ready for adoption by the Supervisory Authority.

Note that the Fee Schedule is reflective of the Registrar’s recommendation as of the date identified above. The Registrar may adjust its recommendation in the unlikely event of changes to the Regulations and Procedures that have a material impact on operational expenditures.

**International Registry of Interests in Railway Rolling Stock
FEE SCHEDULE**

This Fee Schedule is issued in Bern, Switzerland, on 8th March 2024, by the Supervisory Authority of the Luxembourg Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Railway Rolling Stock (the “Protocol”), pursuant to Article XVI (1) of the Protocol and Section 14 of the Regulations for the International Registry issued by the Supervisory Authority pursuant to the Protocol (the “Regulations”).

The Procedures, issued by the Supervisory Authority pursuant to Section 17 of the Regulations, address matters related to implementation and administration of this Fee Schedule. This Fee Schedule shall have effect from the date hereof until revoked or amended by the Supervisory Authority.

URVIS Services	Fee
Model Rules Declaration or Revocation	Free
URVIS Identifier Issuance	€15.00 per URVIS Identifier Issued
REGISTRATION Services	Fee
International Interest, Prospective International Interest, Notice of Sale, National Interest	€20.00 per Item of Railway Rolling Stock
Pre-Existing Right or Interest	€35.00 per Item of Railway Rolling Stock
Non-Consensual Right or Interest	€100.00 per Item of Railway Rolling Stock
Assignment, Prospective Assignment, Subordination, Subrogation	€15.00 per Item of Railway Rolling Stock
Amendment to Existing Registration (includes change of Named Party details, lapse date, running number, or authorised entry point code)	€15.00 per Item of Railway Rolling Stock
Discharge of Registration (includes decrease of partial or fractional interest)	€15.00 per Item of Railway Rolling Stock
Transfer of Right to Discharge Registration	€15.00 per Item of Railway Rolling Stock
SEARCH Services	Fee
Priority Search Certificate	€15.00 per URVIS Identifier
Informational Search	
Self-Search Request	€50.00 per Request
Search By: Supplemental Descriptor Submission Reference Number Authenticated Entity	Free
ACCESS Management	Fee
Guest User Approval	Free
Authorised User Approval (Provides 12 months of active status as an Authorised User)	€250.00
Annual Renewal – Authorised User Status	€200.00

(Provides 12 months of active status as an Authorised User)	
Authenticated Entity Approval (Provides 12 months of active status as an Authenticated Entity)	€250.00
Annual Renewal – Authenticated Entity Status (Provides 12 months of active status as an Authenticated Entity)	€200.00
Administrator Status Management (Addition and removal of Administrator status of an Authorised User)	Free
Designated Representative Management (Addition and removal of Designated Representative status of an Authenticated Entity)	Free



Budget Overview

7 February 2024

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- II. Expense Forecast
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I. Purpose

The purpose of this document is to outline relevant budget information for the International Registry of Railway Rolling Stock (the “Rolling Stock Registry” or the “Registry”). This information is provided to the Preparatory Commission in alignment with section 12 of the Supervisory Contract. It has also been reviewed by the Ratification Task Force in accordance with the setting of the Target Date.

As part of the path toward the Luxembourg Protocol coming into force and the Registry going live, a review of financial considerations is an important part of contemplating the potential performance, viability and sustainability of the Registry. This document outlines a set of assumptions and principles that aim to inform the approach to financial management of the Registry, in particular the model for Registry operating expenses designed to flex to registry performance (i.e. resources can scale up if Registry volumes are higher than forecast).

ISC and Regulis Context

Regulis, Registrar-designate for the Rolling Stock Registry, is a wholly-owned subsidiary of Information Services Corporation (“ISC”), a Canadian-based provider of registry and information management services and technology for public data and records. ISC has extensive experience as a registry operator, registry technology product company, and value add services provider supporting third party trusted transactions. Over more than 20 years, ISC has operated registries on behalf of governments, implemented registry technology across three continents, and provided software, services and interfaces that enable millions of search and registration transactions on a daily basis. ISC’s Canadian Registry Operations feature a recently-extended Master Service Agreement with the Province of Saskatchewan, with operating and technology commitments extending to 2053.

ISC’s Experience and Financial Context

Originally a Crown corporation in the Province of Saskatchewan, Canada, ISC transitioned to a publicly traded company in 2013 through a public share offering. ISC’s shares are traded on the Toronto Stock Exchange (TSX: ISV), with 31% of its shares held by the Government of Saskatchewan. Post public offering, ISC has continued delivering exceptional registry services through long-term master service agreements in numerous jurisdictions, expanded its customer base across its lines of business by winning new mandates, and executed on growth opportunities through the acquisition of companies directly in the registry services and solutions space. Today, ISC and its subsidiaries employ nearly 600 employees located across Canada and Ireland. The Company has a strong financial position, with a healthy balance sheet and stable free cash flow generation. As a public company, ISC’s full reporting and financial disclosures are available at company.isc.ca.

These disclosures demonstrate ISC’s position and ability to fulfil considerations related to Section 7.3 of the Supervisory Contract.

II. Expense Forecast

Expenses

The cost structure of the Registry is highly 'fixed cost' oriented (i.e., costs that are required to fulfil base Registry obligations and do not meaningfully change regardless of volumes). As usage grows over time, step growth for certain expense types (including those related to resources and staffing) is expected to occur.

All costs that are not fixed price contracts or step function change costs are assumed to grow at an inflation rate of 3% per year.

The key cost categories are detailed as follows.

I. Salaries and Benefits

When the Registry goes live, the staffing complement is planned to initially include a small team of resources (registry leadership and officials) to deliver against the core registry services.

The initial staffing will be augmented by Regulis' parent company (ISC) resources as necessary to contribute to both the start-up aspects of the Registry along with flexible capacity. As more countries ratify the Protocol and Registry usage grows, staffing will expand to add additional capabilities and capacity to support the delivery of Registry services and support.

Technology-related roles (including security, support and project management) will be delivered through ISC's Dublin-based wholly-owned subsidiary, ERS (the primary subcontractor).

II. IT Services

IT Services includes five categories of expenses.

- Annual software license fee is the yearly cost of the RegSys platform, including updates and upgrades;
- IT network & security services;
- Microsoft Azure cloud hosting; and
- Application maintenance and support.

III. Support Services

Support Services is a category of services delivered by ISC to augment the Regulis team in a cost-efficient and scalable manner. The costs included in this category include finance and accounting support, in-house legal resources, human resource services, and communications. This allows access to these required capabilities and systems without requiring full-time resources or investments to burden the Registry.

The 2023 and 2024 costs are higher than subsequent years due to Registry stand-up activities and additional support required to ensure the launch and initial operations are successful.

Costs in this category will be captured and managed through a service agreement.

IV. Professional & Consulting Services

Professional & Consulting Services are a classification of external expenses that support the operations of the Registry. The costs include:

- ISO certification and yearly audit fees;
- Supervisory Authority & Secretariat costs;
- Marketing and travel;
- External service provider and legal fees; and
- Finance and tax services and filings.

V. Financial Services and Other Expenses

This includes expenses related to:

- Credit card processing fees: It is assumed that these fees will amount to on average 3.5% of revenue. Actual fees will vary slightly depending on the type of card used, amount of transaction, and overall volume; and
- Insurance fees, which are growing at a rate above inflation given the increasing cost of insurance globally.

VI. One-time Costs

There are a series of costs that will be incurred in 2023 and 2024 to support the initial launch of the Registry. These include Registry technology system implementation, associated testing and advisory fees, and marketing/launch expenses.

€	Budget Period (in thousands)										
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Expenses											
Salaries & Benefits	-	544	666	1,044	1,263	1,302	1,343	1,507	1,680	1,732	1,920
IT Services	911	1,058	745	770	812	838	877	904	944	989	1,035
Support Services	311	281	194	194	180	182	185	176	179	182	185
Occupancy	-	58	53	72	91	91	91	100	110	110	119
Professional & Consulting	146	585	432	444	432	388	413	430	458	426	482
Other Expenses	-	121	138	151	189	204	238	255	290	332	375
Total Operating Expenses	1,368	2,646	2,228	2,676	2,966	3,006	3,146	3,373	3,661	3,771	4,116

III. Comprehensive Fee Schedule

URVIS Services		Fee
Model Rules Declaration or Revocation		Free
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Priority Search Certificate		€15.00 per URVIS identifier
Informational Search		
Self-Search Request		€50.00 per Request
Search By: Supplemental Descriptor Submission Reference Number Authenticated Entity		Free
ACCESS Management		
Guest User Approval		Free
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Financial Guarantee Memo

7 February 2024

DATE: 7 February 2024

TO: Preparatory Commission

FROM: Regulis S.A.

SUBJECT: Financial Guarantee of Registrar

Regulis S.A. (the “Registrar”) has provided a financial guarantee (“Guarantee”) from its parent company, Information Services Corporation, in the amount of €150,000.

The Guarantee will continue in full force and effect until the date which is one year after the expiry or sooner termination of the Amended and Restated Contract for the Establishment and Operation of the International Registry for International Interests in Mobile Equipment (Railway Rolling Stock), dated as of 21 December 2022.



Insurance Summary Memo

7 February 2024

DATE: 7 February 2024

TO: Preparatory Commission

FROM: Regulis S.A.

SUBJECT: Confirmation of Insurance

Regulis S.A. (the “Registrar”), with respect to insurance addressing liability of the Registrar according to Article 28(4) of the Convention and Article XV(5) of the Protocol, has provided a Certificate of Insurance (“Certificate”) to the Secretariat.

The Certificate confirms that the Registrar, through its parent company, Information Services Corporation, holds the following insurance:

- Commercial General Liability plus Umbrella in the aggregate amount of CDN \$15,000,000 (8,331,825 SDR); and
- Errors & Omissions plus Excess Errors & Omissions in the aggregate amount of CDN \$30,000,000 (16,663,950 SDR).

The per occurrence requirement of 5,000,000 SDR is satisfied by the umbrella and excess insurance noted above.

Conversion from Canadian Dollars (CDN) to Special Drawing Rights (SDR) is as of February 6, 2024.