

SETTING STANDARDS FOR GLOBAL TOKEN MARKETS

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ITSA works on standards for the global token economy,
currently focusing on three different areas

International Token Standardization Association (ITSA)

Promoting the development and implementation of market standards
for the **identification**, **classification** and **analysis** of
blockchain- and DLT-based cryptographic tokens

Identification

Classification

Analysis

ITSA builds on the support and expertise of more than a hundred associated institutional founding members

ITSA | INTERNATIONAL
TOKEN
STANDARDIZATION
ASSOCIATION

bankerverband
BUNDESVERBAND DEUTSCHER BANKEN

 **BANK FRICK**

BVI

WM Datenservice

 **main**
INCUBATOR

TUM

MME |||
Legal | Tax | Compliance

 **BOERSE**
Stuttgart
Digital Ventures GmbH

 **UCL**
CBT

 **MAKER**

 **NÄGELE**
Rechtsanwälte

 **solarisBank**

 **Frankfurt School**
Blockchain Center

 **Bitbond**

d-fine

 **GERMAN**
STARTUPS
GROUP

ABC
AUSTRIAN BLOCKCHAIN CENTER

 **æternity**
BLOCKCHAIN

WINHELLER
Rechtsanwälte & Steuerberater

·santiment·

 **HPI**

lindenpartners

 **Bitwala**

 **iEstate**

GLOBALBLOCKCHAIN

 **Ambrøsus**

BINDER GRÖSSWANG

 **POSTERA**

 **BCW**

 **WBC**
CAPITAL ADVISORY

 **SVARM**

 **upvest**

 **FIN**
LAB

 **micobo**

 **wevest**
DIGITAL

 **JGU**

 **CryptoTax**

 **transaction**
factory

ICONIQ LAB 

 **BLOCKWALL**

 **CASHLINK**

 **brainbot**
TECHNOLOGIES AG

 **AZHOS**

 **BLOCKCHAIN**
SOLUTIONS

DLT | CAPITAL

BTC 

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Identification

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International Token
Identification Number
(ITIN)

Assigning a 9-digit alphanumeric
identifier to all types of
cryptographic tokens for an
unambiguous identification,
decreased operational risk and
increased transparency

The structure of the International Token Identification Number (ITIN) provides easy handling and safety

TP3B-248N-Q

Token ID

8 alphanumeric characters

The unique ID of a token

- › 8 alphanumeric capital characters in total
- › Excluding the letters “I”, “L” and “O” as well as the numbers “0” and “1” to eliminate the risk of a potential confusion
- › $10-2=8$ numeric characters and $26-3=23$ alphabetic characters allowing for the distinct identification of $(8+23)^8=31^8$ cryptographic tokens, i.e. > 850 billion
- › Generated and assigned at random, and by elimination of ITINs containing real words like “coin” or “bits” for maximum fairness
- › ITINs will be assigned to each token currently on the market and also upon request of an issuer before issuance of a new token

Checksum

1 alphanumeric character

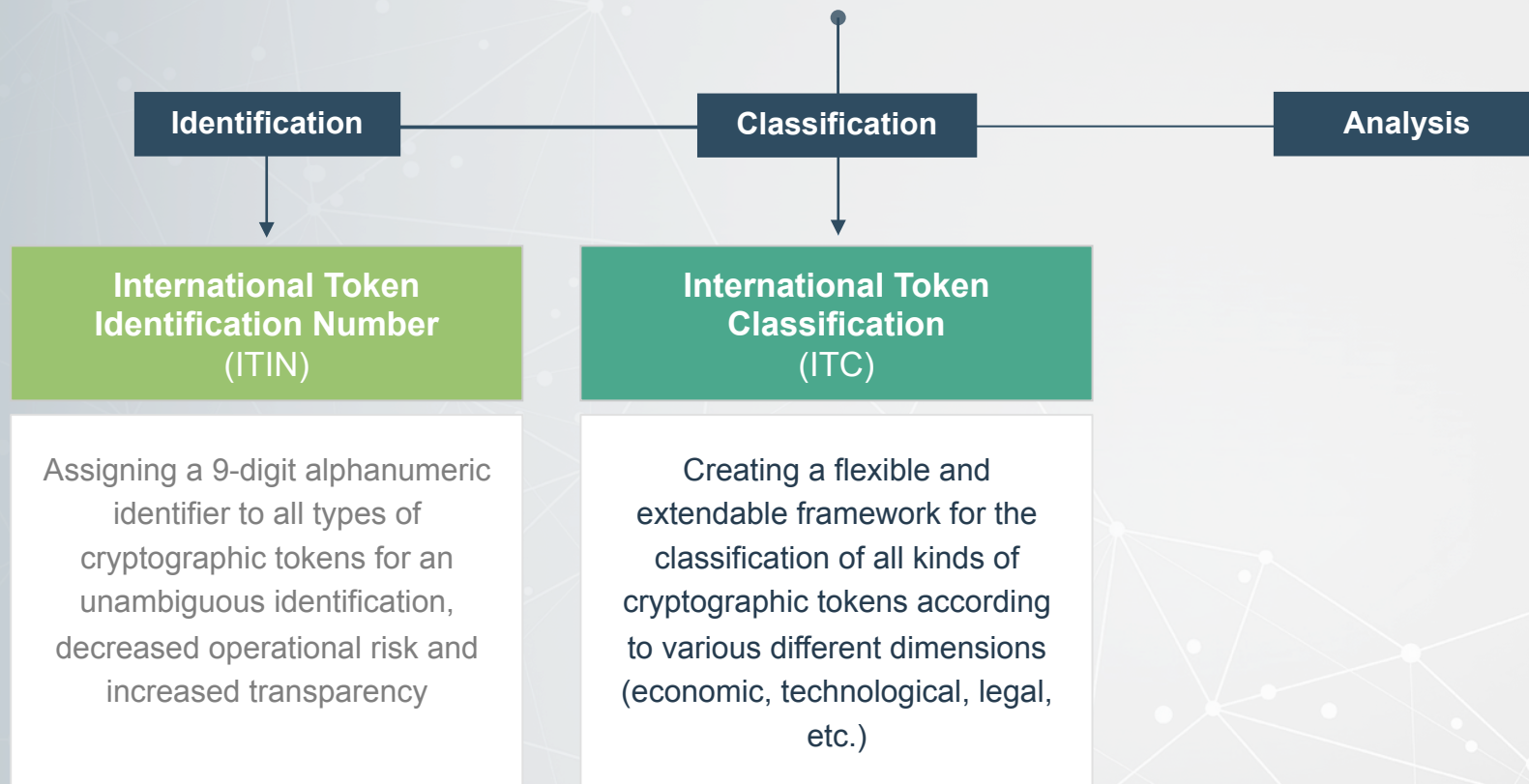
The built-in security feature

- › Calculated by taking the modulo of the sum of ASCII code values for the positions 1-8 of the Token ID and a reassignment of the ASCII code to the numeric result
- › Recalculation of the checksum allows for verification of the correct communication of the identifier



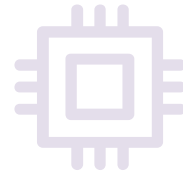

- ✓ **Open and free market standard**
- ✓ **Distinct and clear identification** (no duplications)
- ✓ **Improved safety and transparency**

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The ITC v.0.9 comprises four dimensions that describe the major characteristics of a cryptographic token

E Economic Dimensions		T Technological Dimensions		L Legal Dimensions	
EEP Economic Purpose	EIN Industry	TTS Technological Setup	LLC Legal Claim		
What is the economic purpose of the token as intended by the issuer?	What kind of industry is the token intended to be used in?	Which layer of the distributed ledger is the token implemented on?	What right does the token provide its owner with?		
<ul style="list-style-type: none">Token as a means of paymentToken as a means of utility provisionToken as a means of investment 	<ul style="list-style-type: none">20 industry categories & various sub-categories3 major industry categories:<ul style="list-style-type: none">InformationFinance and InsuranceArts, Entertainment and Recreation 	<ul style="list-style-type: none">Token is implemented on the DL itselfToken is implemented by a protocol run on the DL 	<ul style="list-style-type: none">Token with no claim / legal rightToken with relative right(s)Token with absolute right(s) 		

Each ITC dimension includes highly detailed categories, which can be broken down even further in future versions

E Economic Dimensions		T Technological Dimensions		L Legal Dimensions			
EEP	Economic Purpose	EIN	Industry	TTS	Technological Setup	LLC	Legal Claim
EEP21	Payment Token	EIN09	Information	TTS41	Ledger-Native Token	LLC31	No-Claim Token
Example: Bitcoin Sub-categories: <ul style="list-style-type: none">• Unpegged Payment Token• Pegged Payment Token (Stablecoin)		Example: EOS Sub-categories: <ul style="list-style-type: none">• Advertising, Marketing & PR• Media & Social Media• IT and Telecommunications• etc.		Example: XRP Sub-categories: <ul style="list-style-type: none">• Blockchain• Tangle (DAG)• etc.		Example: Bitcoin Cash Sub-categories: <ul style="list-style-type: none">› <i>Future work</i>	
EEP22	Utility Token	EIN10	Finance and Insurance	TTS42	Non-Native Protocol Token	LLC32	Relative Rights Token
Example: Ethereum Sub-categories: <ul style="list-style-type: none">• Access Token• Governance Token• Settlement Token• etc.		Example: Stellar Sub-categories: <ul style="list-style-type: none">• Payment Services• Exchange, Trading & Settlement• Investment Services• etc.		Example: Basic Attention Token Sub-categories: <ul style="list-style-type: none">• ERC20 token• etc.		Example: Binance Coin Sub-categories: <ul style="list-style-type: none">› <i>Future work</i>	
EEP23	Investment Token	EIN17	Arts, Entertainm. & Recreat.			LLC33	Absolute Rights Token
Example: KuCoin Shares Sub-categories: <ul style="list-style-type: none">• Asset-Backed Token• Debt Token• Equity Token• etc.		Example: FunFair Sub-categories: <ul style="list-style-type: none">• Arts and Culture• Recreation, Leisure and Travels• Betting and Gambling• etc.				Example: n.a. Sub-categories: <ul style="list-style-type: none">› <i>Future work</i>	

The ITC framework provides detailed definitions for the individual categories and sub-categories of each dimension

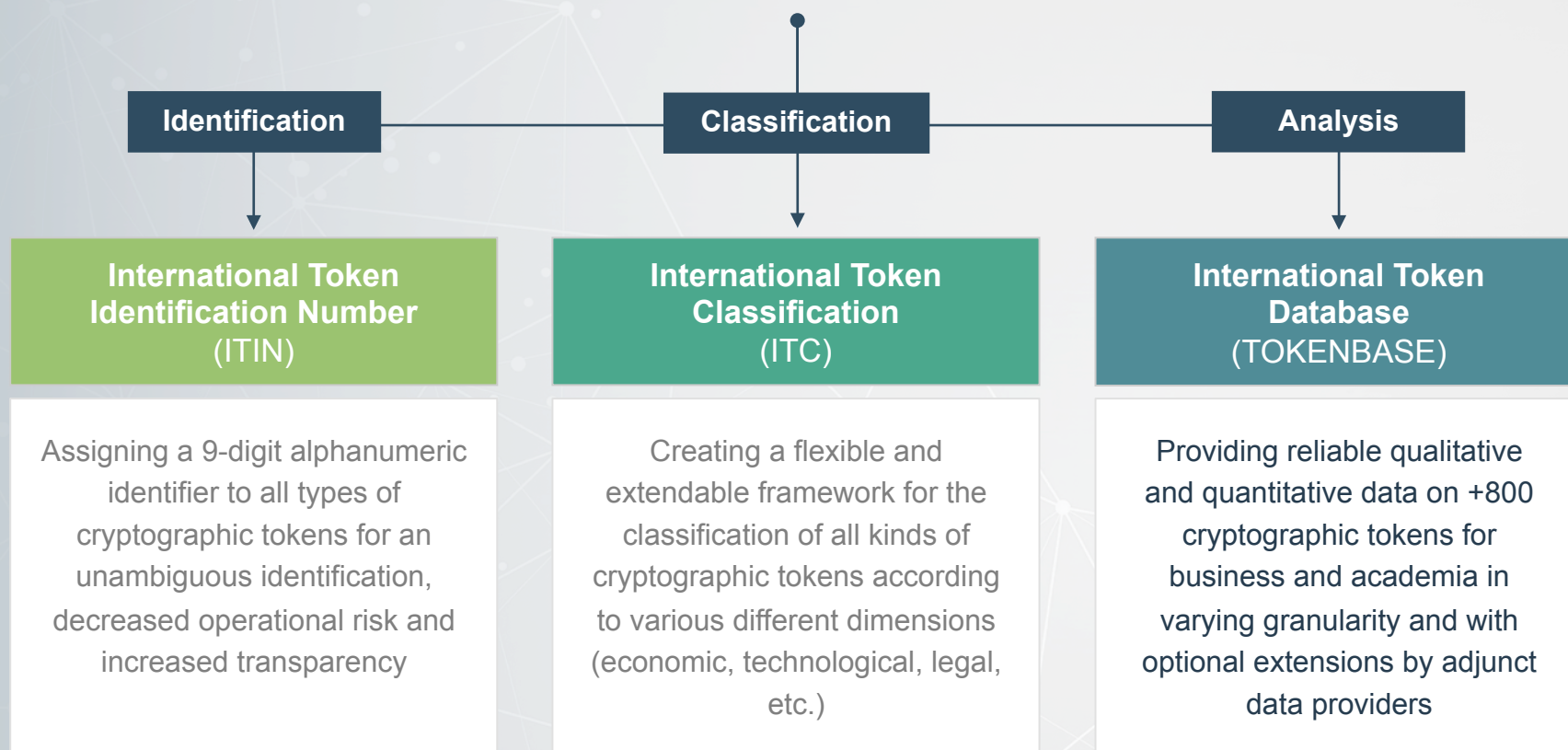
Dimension	Level	Identifier	Label	Description
Economic Purpose				
What is the economic purpose of the token as defined by the issuer? [1]	1 - Category	EEP21	Payment Token	A Payment Token is designed to be used as digital currency. As such, a Payment Token fulfills the classic functions of money [2] (at least partially): (1) medium of exchange; (2) unit of account; and (3) store of value. In general, the usage of the token as means of payment is not limited to a specific use case or environment.
	2 - Sub-category	EEP21U	Unpegged Payment Token	An Unpegged Payment Token is a token whose value is determined through supply and demand on the market and thus floats freely over time.
	2 - Sub-category	EEP21P	Pegged Payment Token (Stablecoin)	A Pegged Payment Token is a token whose value is intended to be kept stable over time in order to better fulfill the classic functions of money compared to Unpegged Payment Tokens. Pegged Payment Tokens exist in various forms: there are fiat-, commodity- or crypto-backed stablecoins but also algorithm-based stablecoin models.
	2 - Sub-category	EEP21Z	Other Payment Token	
	1 - Category	EEP22	Utility Token	An Utility Token is intended to provide a certain sort of utility or right to the token holder within a clearly specified environment (e.g. decentralized network, third-party ecosystem, business relationship or jurisdiction).
	2 - Sub-category	EEP22A	Access Token	An Access Token is created to provide access to certain services, goods or resources that are offered in or through the environment that the token was created for.
	2 - Sub-category	EEP22G	Governance Token	A Governance Token is an Utility Token whose primary purpose is to provide means or rights to participate in the governance of the environment that the token was created for (e.g. providing the right to vote on decisions concerning a decentralized network).
	2 - Sub-category	EEP22S	Settlement Token	A Settlement Token is designed to serve for the settlement of transactions within the environment that the token was created for (e.g. purchase of goods or services in a third-party ecosystem). As such, a Settlement Token (at least partially) also fulfills the functions of money. In contrast to a Payment Token however, it is not intended as generic digital currency without focus on a specific use case or environment, but for the settlement of transactions within a specified environment (e.g. decentralized network, third-party ecosystem or business relationship).
	2 - Sub-category	EEP22O	Ownership Token	An Ownership Token is created for the purpose of managing and transferring the ownership of material or immaterial goods. Thus an Ownership Token could for instance represent an absolute legal right with regards to intellectual property or material objects within the environment of a certain jurisdiction, but also ownership of a unique item within the environment of a decentralized network or computer game with no legally binding relative or absolute rights attached.
	2 - Sub-category	EEP22Z	Other Utility Token	
	1 - Category	EEP23	Investment Token	An Investment Token is created as financial product or financial instrument for institutional or retail investors.
	2 - Sub-category	EEP23A	Asset-backed Token	Incl. tokens backed by commodities, loans, trade receivables, or real assets
	2 - Sub-category	EEP23B	Debt Token	Incl. tokens that mimic bonds
	2 - Sub-category	EEP23D	Derivative Token	Incl. tokens that mimic structured products, futures, or options
	2 - Sub-category	EEP23E	Equity Token	Incl. tokens that mimic stocks
	2 - Sub-category	EEP23F	Fund Token	Incl. tokens that mimic fund shares
	2 - Sub-category	EEP23Z	Other Investment Token	
	1 - Category	EEP99	Token with other Economic Purpose	
Industry				

The ITC is subject to continuous updates in order to extend the scope and depth of a token's classification

E	Economic Dimensions	T	Technological Dimensions	L	Legal Dimensions	R	Regulatory Dimensions
EEP	Economic Purpose	TTS	Technological Setup	LLC	Legal Claim	RUS	Regulatory Status - US
What is the economic purpose of the token as intended by the issuer?		Which layer of the distributed ledger is the token implemented on?		What right does the token provide its owner with?		What is the regulatory status of the token (e.g. security) in the USA?	
EIN	Industry	TCM	Consensus Mechanism	LIT	Issuer Type	RCN	Regulatory Status - CN
What kind of industry is the token intended to be used in?		What method is used to reach consensus between the network nodes?		What type of legal entity is issuing the token?		What is the regulatory status of the token (e.g. security) in China?	
EWD	Way of Distribution	TTF	Technological Functionality	Future work		RDE	Regulatory Status - DE
How is the token issued and brought into circulation?		What functionality does the underlying blockchain or distributed ledger provide?				What is the regulatory status of the token (e.g. security) in Germany?	
Future work		Future work		Future work		RCH	Regulatory Status - CH
						What is the regulatory status (e.g. security) of the token in Switzerland?	

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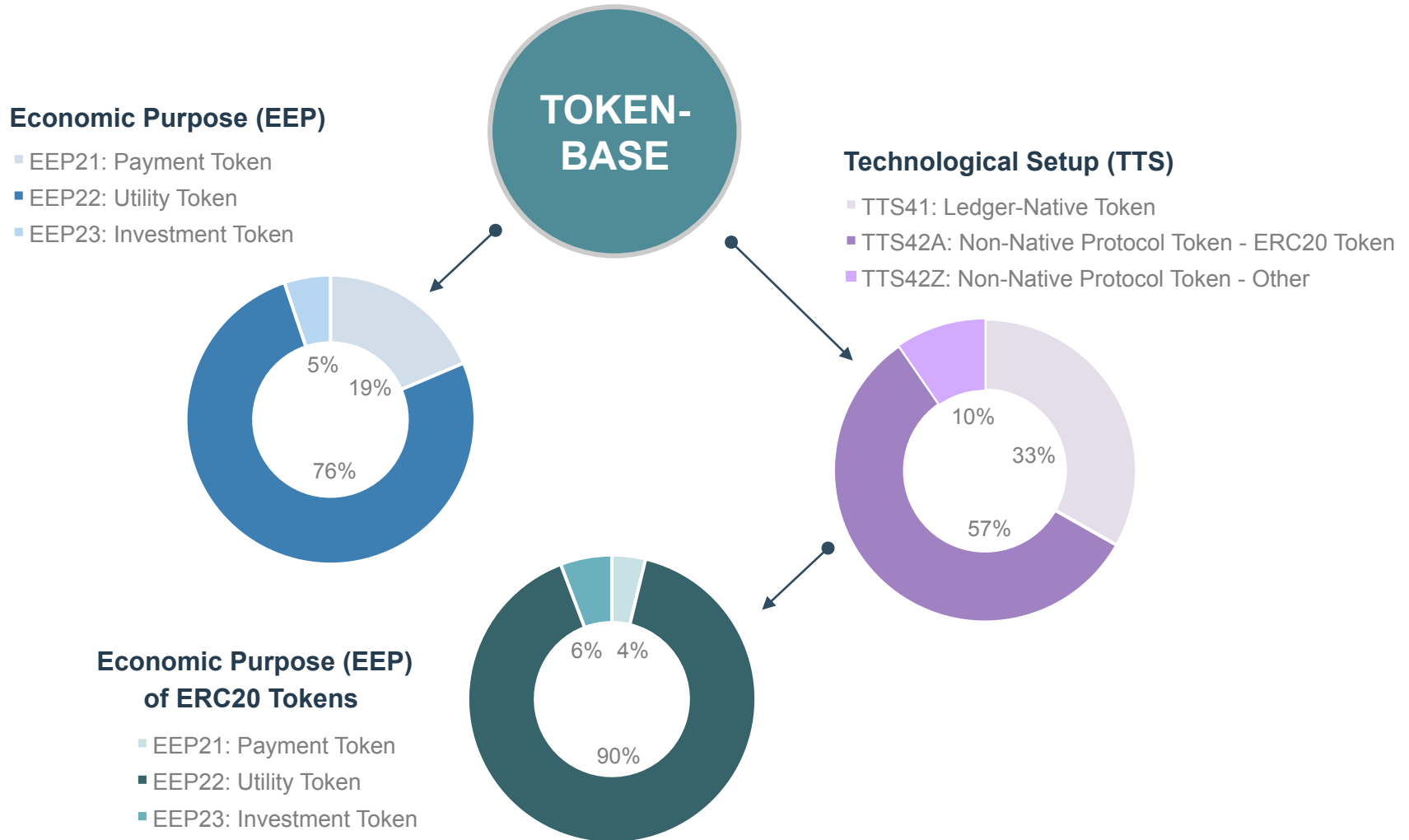


Current ITC sample classification of Bitcoin as to be found in TOKENBASE (v.0.9)

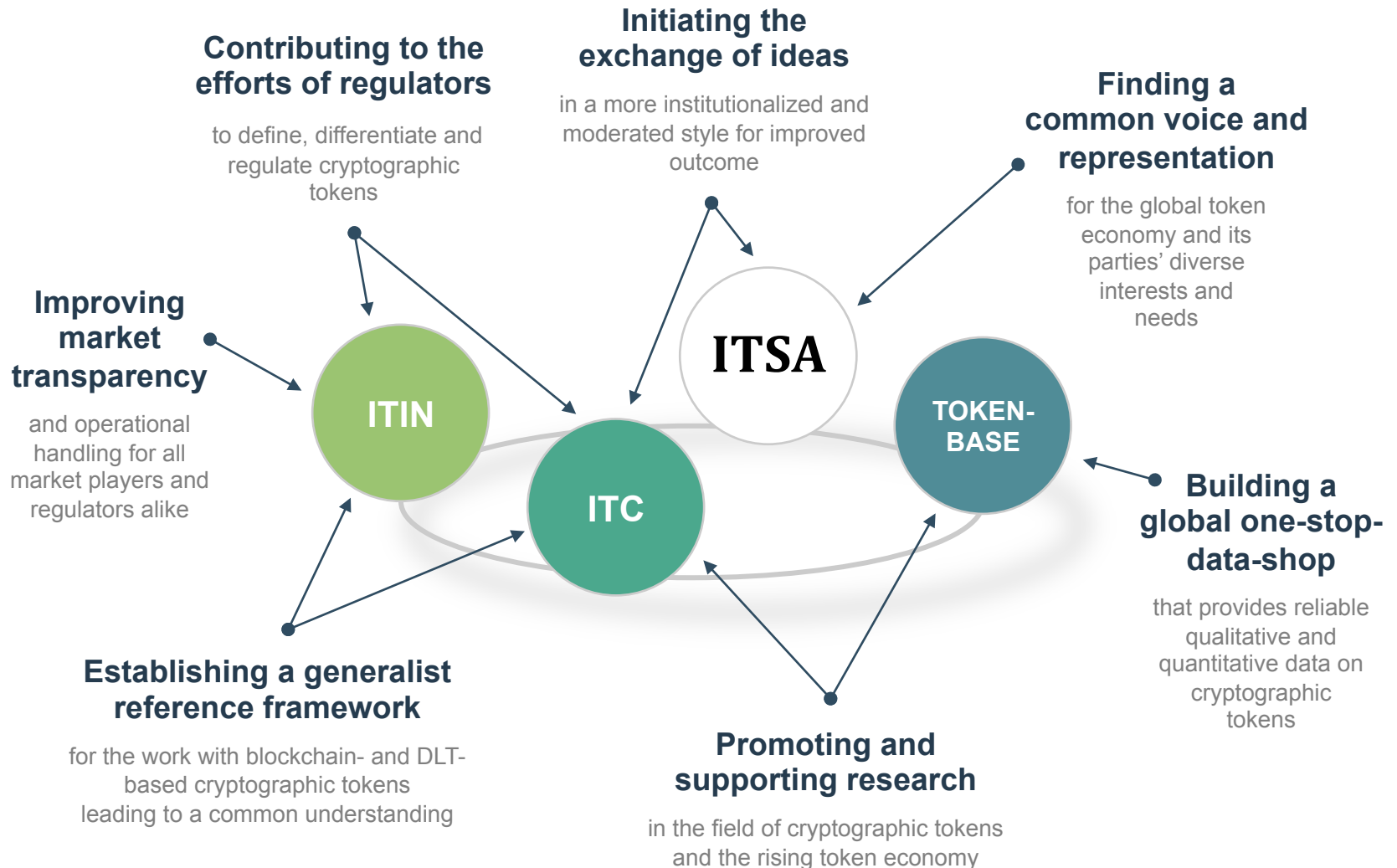
Name:	Bitcoin	Symbol:	BTC / XBT	TOKENBASE Rank:	1
ITIN:	TP3B-248N-Q	Website:	www.bitcoin.org	CMC ID:	1
		Github:	https://github.com/bitcoin	CMC Slug:	bitcoin

Dimension		Classification	Rationale
EEP	Economic Purpose	Unpegged Payment Token EEP21U	Free-floating digital currency
EIN	Industry	Payment Services EIN10A	Token is intended as an universal means of payment
TTS	Technological Setup	Ledger-Native Token TTS41	Tokens are directly implemented on the blockchain
LLC	Legal Claim	No-Claim Token LLC31	Token does neither provide any claim against any counterparty nor an absolute right
Future work		Future work	Future work

TOKENBASE sample statistics: a majority of the top 800 tokens are ERC20 Utility Tokens (ITC)



ITSA and its three standardization projects contribute to the standardization of the global token markets in various ways



ITSA offers different membership types with staggered fees and varying contexts of use for ITIN, ITC and TOKENBASE

	Personal membership	Institutional membership				
	Private	Academic & non-profit	Business 1-5 FTE empl.	Business 6-25 FTE empl.	Business 26-100 FTE empl.	Business >100 FTE empl.
Admission	EUR 20 incl. VAT	EUR 100 excl. VAT	EUR 100 excl. VAT	EUR 200 excl. VAT	EUR 500 excl. VAT	EUR 1,000 excl. VAT
Active membership <ul style="list-style-type: none"> • full voting rights • active participation in working groups • full use of ITIN, ITC and TOKENBASE 		EUR 500 p.a. excl. VAT	EUR 500 p.a. excl. VAT	EUR 1,000 p.a. excl. VAT	EUR 2,500 p.a. excl. VAT	EUR 5,000 p.a. excl. VAT
Supporting membership <ul style="list-style-type: none"> • no voting rights • only passive participation in working groups • full use of ITIN and ITC; limited use of TOKENBASE 	EUR 25 p.a. incl. VAT	EUR 125 p.a. excl. VAT	EUR 125 p.a. excl. VAT	EUR 250 p.a. excl. VAT	EUR 625 p.a. excl. VAT	EUR 1,250 p.a. excl. VAT

Disclaimer:

- (1) An ITSA membership does not in any way entitle to the use of ITIN, ITC and/or TOKENBASE.
- (2) A private membership allows for the private use of ITIN, ITC and TOKENBASE. An academic & non-profit membership allows for the academic and non-profit use of ITIN, ITC and TOKENBASE. A business membership allows for the commercial and also non-commercial use of ITIN, ITC and TOKENBASE.
- (3) The use of ITIN, ITC or TOKENBASE takes place at own responsibility and risk, and cannot result in any legal claim against ITSA or its representatives.

We would feel delighted to welcome you
as a member of ITSA and look forward to
receiving your feedback and thought.

www.itsa.global

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