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Via Electronic Submission

Chief Counsel's Office
Attention: Comment Processing
Office of the Comptroller of the Currency
400 7th Street SW, Suite 3E-218
Washington, DC 20219

Consumer Financial Protection Bureau
c/o Legal Division Docket Manager
1700 G Street NW
Washington, DC 20552

Ann E. Misback
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551

Clinton Jones
General Counsel
Attention: Comments/RIN 2590-AB38
Federal Housing Finance Agency
400 Seventh Street SW
Washington, DC 20219

James P. Sheesley
Assistant Executive Secretary
Attention: Comments/Legal OES
(RIN 3064-AF96)
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Christopher Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street NW
Washington, DC 20581

Melane Conyers-Ausbrooks
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, Virginia 22314-3428

Vanessa A. Countryman
Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Chief Counsel's Office
Attention: Comment Processing
Office of Financial Research
Department of the Treasury
717 14th Street NW
Washington, DC 20220

January 16, 2025

Re: Proposed Rule: Financial Data Transparency Act Joint Data Standards Rulemaking (August 2, 2024)
OCC Docket ID OCC-2024-0012
FRB Docket No. R-1837; RIN 7100-AG-79
FDIC RIN 3064-AF96
NCUA 3133-AF57; Docket Number NCUA-2023-0019
CFPB Docket No. CFPB-2024-0034; RIN 3170-AB20
FHFA RIN 2590-AB38
CFTC RIN number 3038-AF43
SEC File No. S7-2024-05
Treasury RIN [1505-AC86]

The American Bankers Association ("ABA") is submitting this second supplemental comment letter to update the analysis of the comment file with respect to the proposal by nine federal agencies ("Agencies")[1] to establish joint data standards for collections of information reported to the Agencies under Section 124 of the Financial Stability Act of 2010 ("FDTA").[2] The ABA comments in its capacity as owner of the CUSIP financial instrument identification system,[3] and this letter supplements the ABA's comment letters submitted on September 3, 2024, October 21, 2024 and November 25, 2024.[4] In particular, this letter includes additional comment letters submitted following November 25, 2024.[5] None of the entities named in the analysis appended to this letter approved or participated in the preparation of this submission, and it is not intended to be a comprehensive summary of any individual comment letter or the comment file as a whole.

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1 Financial Data Transparency Act Joint Data Standards, 89 Fed. Reg. 67,890 (proposed Aug. 22, 2024) (the "Proposed Rule").

2 12 U.S.C. § 5334(b).

3 The ABA is a trade association for the nation's $23.9 trillion banking industry, which is composed of small, regional, and large banks that together employ more than 2.1 million people, safeguard $18.8 trillion in deposits, and extend nearly $12.5 trillion in loans. The ABA is the owner of all rights to the CUSIP system or other identifier systems developed by CUSIP Global Services ("CGS"), including all rights in and to CGS's various commercial databases and the CGS Data. Learn more at www.aba.com. CGS, the operator of CUSIP, is managed on behalf of the ABA by FactSet Research Systems Inc., with a Board of Trustees that represents the voices of leading financial institutions.

4 *See, e.g.*, Letter to Vanessa A. Countryman, Secretary, SEC, from Rob Nichols, CEO and President, and Thomas Pinder, General Counsel, ABA (Nov. 25, 2024), https://www.sec.gov/comments/s7-2024-05/s7202405-543335-1555402.pdf ("November 25 Letter"); Letter to Vanessa A. Countryman, Secretary, SEC, from Rob Nichols, CEO and President, and Thomas Pinder, General Counsel, ABA (Oct. 21, 2024), https://www/sec/gov/comments/s7-2024-05/s7202405-532915-1528742.pdf (stating, among others, that by proposing to designate the Financial Instrument Global Identifier ("FIGI"), the Agencies acted arbitrarily and capriciously under the Administrative Procedures Act); Letter to Vanessa A. Countryman, Secretary, SEC, from Thomas Pinder, General Counsel, ABA (Sept. 3, 2024), https://www.sec.gov/comments/s7-2024-05/s7202405-515015-1487362.pdf (requesting a 60-day extension of the comment period).

5 Specifically, the analysis includes letters submitted by Nasdaq, Inc., LSTA, the Securities Industry and Financial Markets Association (SIFMA) and Cynthia Meyn after November 25, 2024.

Instead, consistent with the November 25 Letter, the analysis is designed to highlight certain elements of the comment letters as they pertain to the issues discussed in the ABA's prior comment letters. Specifically, other comments overwhelmingly:

(i) Agreed that the Agencies should neither mandate a financial instrument identifier, nor mandate FIGI as the exclusive financial instrument identifier in any final rule;

(ii) Agreed that the FDTA does not require the Agencies to select a financial instrument identifier, nor does it require that data standards other than the LEI be open license and nonproprietary;

(iii) Agreed that the Agencies failed to meet their obligation to undertake a robust cost-benefit analysis;

(iv) Agreed that switching to FIGI would be costly and disruptive to the market;

(v) Agreed that there are, in fact, costs associated with using FIGI;

(vi) Disagreed with the Agencies' assertion that the Proposed Rule only applies to the Agencies themselves, not to any other entities, and therefore includes no new reporting, recordkeeping, or other compliance requirements;

(vii) Agreed that CUSIP (ISIN) is widely used and provides the most relevant coverage for financial reporting purposes; and

(viii) Agreed that the Agencies' actions would be disruptive to the interoperability of the global financial system.

Additionally, in a letter dated December 6, 2024, Senators Mark Warner and Mike Crapo, Congresswoman Maxine Waters and Congressman Patrick McHenry "encourage[d] your agencies to carefully consider the comments submitted to the comment file" and stated that "[i]t is vital that each agency fully understands the potential effects of this rulemaking."[6]

Although the ABA supports the FDTA's goals of financial reporting transparency and efficiency, the ABA respectfully urges the Agencies to reconsider the proposed establishment of Bloomberg L.P.'s FIGI as the exclusive common financial instruments identifier for purposes of agency reporting and remove such identifier from any final rule.

[6] Letter from Senators Mark Warner and Mike Crapo, Congresswoman Maxine Waters and Congressman Patrick McHenry to Secretary Janet Yellen, Chairman Martin Gruenberg, Acting Comptroller Michael Hsu, Chairman Todd Harper, Chair Jerome Powell, Director Thompson, Chair Gensler, Director Chopra, and Chairman Behnam (Dec. 6, 2024) *available at* https://www.fdic.gov/federal-register-publications/congress-united-states-mark-r-warner-et-al-rin-3064-af96.

If you have any questions, please contact the undersigned.

Respectfully,

Thomas Pinder
General Counsel
American Bankers Association

Enclosure: FDTA Comment File Analysis

Commenters from Across the US and Global Capital Markets Criticize the FDTA Rule Proposal's Selection of FIGI as Common Financial Instruments Identifier[1]

Commenters agree that the Agencies should neither mandate a financial instrument identifier, nor mandate FIGI as the exclusive financial instrument identifier in any final rule.

- "With respect to other proposed common identifiers, DTCC urges the Agencies to avoid imposing one for financial instruments that is not, and provides different information than, the incumbent standard used across the securities market, as it would give rise to significant and immediate cost and implementation concerns without obvious benefits."
  - DTCC
- "[G]iven that the industry primarily uses the CUSIP and ISIN, which are effectively a market driven standard (rather than a regulatory driven standard), and that no specific policy deficiency has been identified by the Agencies relative to their use, it is not clear what problem the Agencies are trying to solve relative to financial instrument identifier . . . . [T]he Agencies should continue to leave this down to the market so firms can make commercial based decisions to implement new identifiers where appropriate, and continue to utilize widely accepted industry driven standards such as CUSIP and ISIN."
  - Association of Global Custodians
- "The likely market disruption associated with a mandated FIGI conversion is not warranted and we urge the Agencies not to adopt a common securities identifier without the benefit of careful additional analysis of existing market practices and consultation with industry participants."
  - Bank Policy Institute
- "FIF members consider it inappropriate at this stage for the covered agencies to identify specific identifiers as standards without first conducting an economic assessment of the impact for each report that could be affected."
  - Financial Information Forum
- "ISDA believes that it is premature for the Agencies to establish a common standard (e.g. whether the CUSIP, FIGI or ISIN) for identifying a securities underlier of an OTC derivative . . . . [I]if support for an identifier is necessary at this juncture, ISDA supports the identifier which is most implemented across market participants, until such time as a cost-benefit analysis and clear rationale for moving away from what the industry has already built is provided by the Agencies."
  - International Swaps and Derivatives Association
- "We respectfully submit that the Agencies should view the Proposal as a significant regulatory action, and should review all reasonable alternatives to the establishment of FIGI as the sole eligible identifier."
  - Investment Company Institute
- "In summary, LSEG strongly believes that the proposal to mandate the exclusive use of FIGI in the FDTA is premature and lacks sufficient justification in terms of cost-benefit analysis."
  - London Stock Exchange Group
- "SIFMA strongly recommends that the Agencies do not establish FIGI as the mandatory common identifier."
  - SIFMA

[1] Comment excerpts that have been added as part of the ABA's second supplement letter dated January 16, 2025 have been marked with an asterisk.

- "In the current Proposal, the agencies are required to 'establish' joint data standards – which shall include 'common identifiers' – for the 'collections of information reported to each covered agency by financial entities.' The only common identifier required by the Act is a legal entity identifier. Choosing other common identifiers is left to the agencies' discretion. The agencies do not provide a rationale for selecting a common financial instrument identifier at this stage."*
    - LSTA
- "SIFMA strongly urges the Agencies do not select FIGI or any other identifier as a preferred or mandatory standard. Rather the agencies should retain existing identifiers such as CUSIP and ISIN."*
    - SIFMA
- "The use of CUSIP would facilitate a faster implementation of the rule. CUSIP works now, without further software changes, across the industry. Most firms have not implemented FIGI for recordkeeping purposes, to my knowledge. If the goal is to receive these results within the next year, regulators would do well to use standards already in place."*
    - Cynthia Meyn, Zircon & Company, Inc.

Commenters agree that the FDTA does not require the Agencies to select a financial instrument identifier, nor does it require that data standards other than the LEI be open-license and nonproprietary.

- "[T]he AGC notes that the FDTA does not in fact mandate that all common data standards be open-license and non-proprietary, a requirement that is limited only to the selection of the legal entity identifier."
    - Association of Global Custodians
- "[A]s the migration to a common identifier is not specifically required in the statute, beyond the LEI, the move to FIGI would be subject to the Administrative Procedure Act and therefore require a full assessment and cost/benefit analysis."
    - Bank Policy Institute
- "The security identifier requirement is created by the Proposed Rule . . . . and not specifically by FDTA. While it may be desirable to have a security identifier that meets both nonproprietary and open license, there is no FDTA requirement that a security identifier be 'non-proprietary' and 'open license'."
    - Government Finance Officers Association
- "The FDTA requires the establishment of common data standards, including nonproprietary identifiers for legal entities. However, it does not mandate that all identifiers, including those for financial instruments, be open-source or non-proprietary . . . . The decision to exclude CUSIP and ISIN in favor of FIGI appears to be based on a misinterpretation of the statute. If Congress intended for all identifiers to be non-proprietary, it would have specified this requirement explicitly."
    - SIFMA

Commenters agree that the Agencies failed to meet their obligation to undertake a robust cost-benefit analysis.

- "The proposed transition from CUSIP to FIGI as the primary identifier warrants careful consideration especially as it relates to whether and how the final rules impact costs and

operational systems for broker-dealer firms . . . . A comprehensive cost-benefit analysis of the new standards is crucial to fully understand their impact on all market participants."
    - American Securities Association
- "[T]he Agencies have failed to provide a satisfactory explanation for their decision to adopt FIGI as the standard financial instrument identifier and have not provided or conducted a sufficient cost-benefit analysis to support this decision. Under the [APA], agency actions must be based on reasoned decision-making that includes a thorough analysis of relevant data and potential economic impacts. The introduction of a standard identifier such as FIGI for financial instruments is intended to set a baseline for the standard to be used in future rulemakings which touch upon financial instrument identifiers and reporting; and if insufficient cost-benefit analysis is performed as part of the current Proposal then the industry may not have sufficient opportunity to raise concerns with the implementation of the standards. As such, the Agencies are vastly underestimating the cost and complexity of the intended changes and the imperative of ensuring broad industry consensus on the most appropriate solution to meet the underlying policy goal.
    - Association of Global Custodians
- "As part of any consideration for moving to a common securities identifier, the Agencies should analyze whether the potential negative impacts of such a change outweigh the perceived benefits."
    - Bank Policy Institute
- "An economic analysis is particularly important in light of pending regulatory initiatives in the fixed income markets. An example is the parallel rulemaking projects from FINRA and the MSRB, recently approved by the Commission, to shorten the time dealers have to report most trades to TRACE and RTRS from 15 minutes to one minute. None of the analysis with respect to the effect of these rule changes has 2 focused on how a requirement that dealers adhere to FDTA-related data standards in reports they make to regulators might affect trade reporting and the ability to report trades within one minute. In this respect, we urge the Commission to consider fully the effects of the Proposal from a cost-benefit perspective."
    - Bond Dealers of America
- "[T]he Proposal establishes the Financial Instrument Global Identifier ("FIGI") as the identifier for financial instruments over the currently and widely used CUSIP identifier. In making this choice, it is imperative to analyze the costs, risks and potential downsides associated with transitioning away from CUSIP to a new and less-widely utilized and known identifier. This is especially true considering that the CUSIP has been and remains the industry standard in the U.S., oftentimes preferable to the FIGI due to the FIGI's perceived lack of single identifier fungibility."
    - Cboe Global Markets
- "Given the potential magnitude of impact on financial entities, including DTCC, we urge the Agencies to consider the costs and risks of such a requirement against any perceived benefits."
    - DTCC
- "Any regulatory change involves costs. Accordingly, it is important that the covered agencies, when proposing any regulatory change, also identify the expected benefits of the proposed change and explain why the expected benefits outweigh the expected costs. Market participants should have the opportunity to comment on this cost-benefit analysis."

    - Financial Information Forum
- "The Proposed Rule is noticeably lacking in an assessment of the potential costs and benefits of the proposed actions suggested . . . . This oversight is arbitrary and capricious and is most conspicuous in the Proposed Rule's proposal to establish the Financial Instrument Global Identifier ("FIGI") as the identifier of financial instruments."
    - Intercontinental Exchange Inc.
- "Before selecting a new identifier, the Agencies should carefully study whether the potential benefits outweigh the significant disruptions and costs of switching, and that study must recognize that any decision in the first phase will drive the individual Agency decisions in the second phase."
    - Investment Advisers Association
- "The Proposal's omission of any cost benefit analysis whatsoever, combined with its mistaken conclusion that no such analysis is required, may render the Proposal materially incomplete, and potentially vulnerable to legal challenge."
    - Investment Company Institute
- "[T]he Proposal does not provide a clear rationale and sufficient cost-benefit analysis, with findings made available for public comment, for the Agencies to determine a joint common standard for identifying a securities underlier of an OTC derivative."
    - International Swaps and Derivatives Association
- "As a result of this change, firms may incur significant costs to fully integrate these identifiers into their organizations and their regulatory reporting infrastructure. These costs could include service subscriptions, data integration and mapping, new technical skill requirements, and data governance. This level of change can lead to an increase in both cost and risk to their regulatory reporting foundation which should be considered. We believe that working with the industry on a full cost benefit analysis would allow for broader assessment of industry readiness for such a change."
    - ISITC
- "OCC respectfully asks the Agencies to reconsider the use of the FIGI and to further evaluate the costs and benefits of rulemaking that would require entities to take part in any data matching exercises for purposes of financial instrument identification."
    - Options Clearing Corporation
- "We are concerned the Proposal lays the foundation for major transformation of how the financial services industry would manage data– particularly in the context of the adoption of a common financial instrument identifier – without providing the cost-benefit analysis needed to justify a change of this scale under the [APA] . . . . Regulatory Agencies must align their intentions with the realities of market reporting obligations. A thorough cost-benefit analysis [is] critical for ensuring that the optimal solution is adopted, without creating disruptions or unnecessary burdens on entities of all sizes . . . . This analysis should also reflect the fact that there are multiple market segments where this is effectively zero penetration of . . . . FIGIs currently, and in some functions or systems where the FIGI may be available, it may not be captured in systems used for reporting."
    - SIFMA
- "A detailed cost-benefit analysis is essential to ensure that any proposed standards align with the goals of transparency and efficiency without creating undue burdens. The Agencies have failed to provide a satisfactory explanation for their decision to adopt FIGI as the common identifier and have not identified a problem to be solved or conducted the necessary cost-benefit analysis. The rulemaking process lacks a comprehensive

evaluation of the potential effects on the financial industry, given the significant role played by CUSIP and ISIN today."*
    - SIFMA
- "While some commenters have asserted that an economic analysis is not required at this stage of implementing the Act, the foundation for this argument seems to be a hyper technical, and misleading, interpretation. The argument seems to be that selecting data standards in the current rulemaking does not alter the agencies' rules for collecting information from financial entities and therefore has no economic impact . . . . What is deficient about this argument is that the agencies are now proposing to select one standard and reject another, which at the very least would put a finger on the scale for subsequent rulemakings and, for all practical purposes, would prejudge the appropriate standards to apply. With the current rulemaking, the agencies are making a choice that has economic consequences and that requires economic analysis to ensure the objectives of the Act are best satisfied."*
    - LSTA
- "The Proposal does not include a discussion of the economic impact of the Proposal . . . . Here, the agencies failed to give more than a perfunctory consideration of a reasonable alternative and made no effort to assess the economic implications of proposing a particular common identifier."*
    - LSTA
- "Nasdaq believes the Commission must articulate clearly the specific problem this proposal seeks to solve. The introduction of risks, costs, and significant industry disruption should be justified by a compelling and demonstrated need to resolve a problem. Currently, the Commission's proposal appears to represent a solution in search of a problem. The existing CUSIP system has operated effectively as a widely recognized and relied upon standard in financial markets. Transitioning from CUSIP to FIGI or other identifiers risk introduction of instability without a clear benefit."*
    - NASDAQ

Commenters agree switching to FIGI would be costly and disruptive to the market.

- "[T]he AGC would highlight to the Agencies the enormity of the proposed change for custodians, our clients and the broader financial markets. Notably, the mandate to use the FIGI as the common identifier for financial instruments for regulatory reporting purposes will require significant changes to recordkeeping systems and processes across our member firms, their clients and the wider industry; and therefore result in significant costs."
    - Association of Global Custodians
- "Introducing a new identifier, as proposed, will also require significant business, technology and operating resources, that combined, will be exceptionally costly and require significant subject matter expertise to implement successfully. This change would likely also create several downstream impacts that require firms, third-parties, market utilities, processors, exchanges and service providers to conduct business reviews, potentially re-engineer technology, upgrade and test systems, and provide customer notification to ensure a successful transition. These system changes, which would be required across hundreds of individual systems, would include areas such as risk compliance, financial reporting systems, trust documents, operating agreements, physical certificates, etc. "

    - Bank Policy Institute
- "CUSIP is embedded in many elements of SEC, FINRA, and MSRB regulations and is an integral part of the way bond market participants—issuers, dealers, and investors—communicate efficiently. Moving the industry and the markets away from CUSIP and towards FIGI for use cases other than FDTA reporting would be an enormous undertaking."
    - Bond Dealers of America
- "Operational risk is also present in data mapping when there are opportunities for error – whether human or technological . . . . Additionally, data inaccuracies may create security vulnerabilities and undermine reliability, which can affect a company's reputation. This issue is particularly relevant in the transition from CUSIP, which has a unique identifier for each security across all exchange venues, to FIGI, which can have many different identifiers for the same security traded on each of the exchanges."
    - Cboe Global Markets
- "DTCC is concerned, particularly given the uncertainty in the scope of applicability of these joint standards, that the effort necessary to incorporate and map a different financial instrument identifier against the various established databases, systems, and processes across the existing financial services ecosystem could have downstream impact on a magnitude not unlike the moves to adopt LEI/UPI and even the recent shortening of the standard U.S. equities settlement cycle."
    - DTCC
- **"**We also have concerns that adoption of the FIGI could lead to increased operational risk. We believe certain instruments may have different FIGI numbers on different exchanges, meaning, firms would need to map these instruments and their FIGI numbers to different venues. Furthermore, when a firm receives a data file from an external source that does not use the FIGI, the firm would need to match the FIGI to the identifier used therein. The need for complex data mapping may create operational risk and room for error."
    - Futures Industry Association
- "[T]he designation of FIGI as the standardized identifier for Agency reporting would be disruptive to market participants, a disruption that would have monetary and other costs."
    - Intercontinental Exchange Inc.
- "[T]he seemingly simple transition from a single, invariant identifier to an identifier that changes with every change in trading venue increases costs and complexity with no added benefit to Commenters or regulators."
    - Investment Company Institute
- "Implementing a single identifier across the industry without considering the operational and technical challenges creates unnecessary costs and risks, including: migration cost . . . . operational disruption . . . . [and] data quality and integrity [issues]."
    - London Stock Exchange Group
- "There is also the question if FIGI doesn't replace CUSIP and the two systems need to coexist for different purposes, how that will impact borrowers, issuers, and the market more generally. A failure to have certainty of what is being done with the use of FIGI and the need for a clean transition will quite possibly harm users with incorrect data and could be disruptive to the entire market."
    - National Association of Health and Educational Facilities Finance Authorities
- "FIGI would require firms like OCC to take part in complicated data matching exercises to map different instruments, i.e., option classes and series, and their FIGI numbers

across venues. Such exercises would create excessive operational risk as they would likely rely, in part on manual processes to review, reconcile, and consolidate instruments and their FIGI numbers across venues, which presently includes 18 options exchanges."
    - Options Clearing Corporation
- "Many firms currently rely on widely accepted identifiers such as CUSIP, ISIN, or UPI for instrument identification and associated regulatory reporting. The transition to reporting based on the FIGI would necessitate significant operational changes, including remapping data systems to incorporate FIGI. This transition would incur substantial costs for both firms and regulators. For example, financial institutions would need to invest in technology, update internal processes, and train staff to manage the new identifier."
    - SIFMA
- "The mandatory implementation of FIGI poses significant operational and financial challenges for market participants. Transitioning to FIGI would require substantial remapping of data systems, incurring considerable costs for firms and regulators. Financial institutions would need to overhaul internal processes, redesign systems, and retrain staff, particularly as FIGI's structure diverges significantly from established identifiers like CUSIP and ISIN. Additionally, continued coexistence of FIGI alongside established identifiers would create redundancies, necessitating costly cross-referencing and increasing the risk of reporting errors."*
    - SIFMA
- "We respectfully urge the agencies to consider the potential risk posed to the agencies and the critical reporting they receive from their supervised entities if inaccuracies are introduced by the use of an exclusive identifier for corporate loans. Unlike CUSIP - which has been fully operationalized for years - FIGI has never been tested as the exclusive identifier for corporate loans in the marketplace. If the proposed move to FIGI as the exclusive identifier for corporate loans were to be adopted, the agencies will have introduced market risk, operational risk and regulatory risk across the corporate loan asset class."*
    - LSTA
- "It appears with the Proposal that the agencies are laboring under a misapprehension, namely, that the joint data standards that they propose to adopt would have a minimal impact on market participants. Unfortunately, this is far from the case."*
    - LSTA
- "Transitioning from CUSIP to FIGI would require extensive overhauls of existing systems and processes. This transition would require revising taxonomic data structures, retraining personnel, updating internal systems, and updating compliance procedures across a wide range of market participants, imposing significant and disproportionate costs, especially on smaller market participants . . . . Additionally, transitioning from CUSIP to FIGI introduces considerable risks related to data mapping, integrity, and accuracy. CUSIP is embedded into existing workflows throughout the financial ecosystem and replacing it with FIGI could create inconsistencies and potential disruptions in trading, clearing, and settlement processes."*
    - NASDAQ

Commenters agree that there are, in fact, costs associated with using FIGI.

- "The Agencies characterize the FIGI in the Proposal as being available under an open license. While this may be true for the basic use of the identifier (OpenFIGI), which

offers users a limited data set, it does not extend to certain other important data attributes that are used to support various functions, such as asset servicing, which are locked behind a paywall and are only available to subscribers of proprietary data terminals."
    - Association of Global Custodians
- "Without relevant, meaningful and useable associated data, users are required to subscribe to the vendor for these additional data elements. For example, the FIGI has limited associated content where 6 of the 8 associated data elements are other identifiers . . . . A user is unable to truly interpret and make use of the FIGI data without key data elements . . . . and to obtain these essential data points, they must be subscribed from the vendor at a cost. In this scenario, the open license creates the gateway for proprietary data sales."
    - Association of National Numbering Agencies
- "While a version of FIGI, OpenFIGI, is nonproprietary, it only provides users with access to limited data sets. Access to other important data underlying FIGIs—including the primary exchange where a security is traded, call features, and issuance volumes—require a paid subscription. Consequently, selecting FIGI as the sole identifier for financial instruments will embed one commercial provider at the center of financial reporting data and involve significant and unnecessary costs that fail to achieve the Agencies purported FDTA interpretation."
    - Bank Policy Institute
- "While there is no licensing cost for FIGI, there are anticipated costs to market participants that must be considered if changes are made to the current reporting requirements for security identifiers . . . . If a covered agency disseminates a new identifier as a replacement for an existing identifier, this could involve significant costs for a firm, including reconfiguration of the firm's systems that receive the new identifier and reconfiguration of other firm systems that do not currently process or record the new identifier. Accordingly, FIF members would be opposed to regulatory changes that mandate the reporting of new identifiers or replace existing identifiers that are currently disseminated. "
    - Financial Information Forum
- "[W]e have concerns that the FIGI is not entirely open license, and we believe further exploration, consideration, and comparison of alternatives are warranted."
    - Futures Industry Association
- "The concept is that FIGI does not come at a cost, whereas CUSIP does; however, it appears that FIGI cannot be a stand-alone securities identifier as the identifier assignment changes between platforms."
    - Government Finance Officers Association
- "[A]lthough certain aspects of the FIGI are open-sourced, there is a limited set of descriptive data available before a paid subscription is required. In that sense, FIGI is not truly open-source."
    - Intercontinental Exchange Inc.
- "The Proposal notes, correctly, that entities may obtain a FIGI at no cost. However, we understand that FIGI only offers users access to a limited set of data at no cost. In order to access several key attributes of the security under FIGI, users would need to use a Bloomberg terminal or third-party provider platform that is only available through subscription."
    - Investment Company Institute

- "An open identifier such as FIGI still carries costs associated with implementation. Some data elements such as issuer name, currency, maturity date, coupon rate, etc. are not available without subscribing to the vendor's data."
    - London Stock Exchange Group
- "We are concerned that the Agencies are proposing the FIGI based on the incorrect view that the FIGI can be adopted on a purely open-source basis. While the Proposal describes the FIGI as an open-source standard, its open-source features and functionality are combined with a commercial dependence on third parties to provide the enhanced FIGI data needed for complex recordkeeping and enterprise data management."
    - SIFMA
- "[W]ith only 13 freely available, open fields, FIGI is a primary key, a hook, into the expensive, fee-liable vendor terminals and bulk data products that bring thousands or even tens of thousands of additional related fields needed to make the instrument identifier usable."
    - Science Applications International Corporation
- "While FIGI is described as an open-source standard, its practical use depends on supplementary commercial services for data quality, timeliness, and cross-referencing. This dependency introduces additional costs and raises questions about FIGI's suitability as a universal identifier. Its granularity and hierarchical structure may not align seamlessly with the reporting and operational needs of market participants, increasing complexity rather than reducing it."*
    - SIFMA
- "Perhaps the FIGI standard is freely in the public domain, but the data associated with the FIGI is not free. To my knowledge, there is no scalable way to perfectly associate a FIGI with an existing security master record unless one subscribes to a data feed from Bloomberg. For firms subscribing to alternative security master feeds, the Bloomberg data feed would be a significant added cost imposed by regulators to the benefit of Bloomberg. Perhaps, when this rule was proposed and drafted, the regulators were not aware of the vast extent to which market participants use the CUSIP and ISIN and rarely use the FIGI unless within a Bloomberg terminal or unless through a paid security master data feed sold by Bloomberg."*
    - Cynthia Meyn, Zircon & Company, Inc.

Commenters disagree with the Agencies' assertion that the Proposed Rule only applies to the Agencies themselves, not to any other entities, and therefore includes no new reporting, recordkeeping, or other compliance requirements.

- "Moreover, it is not clear at this stage what some of the indirect impacts of implementing FIGI as the common standard for regulatory reporting in the U.S would be for the industry. For example, it is likely that the Proposal would have substantial downstream implications for our clients, forcing them to adapt their systems and processes to absorb the new identifier even though many will remain outside of the scope of the FDTA mandate. This is also true of the financial market infrastructure, for instance DTCC as already noted above, that supports and facilitates day-to-day activities in the U.S. financial markets. These and other similar considerations reinforce the fundamental importance of broad industry outreach ahead of the rulemaking process which the Agencies have unfortunately not undertaken."
    - Association of Global Custodians

- "While it could be argued that the Proposal lacks cost benefit analysis because it is focused primarily on issues within the Agencies, this approach is overly narrow as the Proposal would inevitably require the broad adaptation of internal systems and market structures to the new standard. Given the foundational nature of the Proposal, a thorough cost benefit analysis is essential."
    - SIFMA

Commenters agree that CUSIP (ISIN) is widely used and provides the most relevant coverage for financial reporting purposes

- "[T]he Proposal fails to provide any compelling reasons as to why decades of industry reliance on identifiers such as CUSIP and ISIN should be overlooked in favor of an expensive and operationally complex transition to FIGI."
    - Investment Company Institute
- "These figures are indicative of the insignificant use of FIGI within the ecosystem reflecting the scale and cost of implementation that would be required if FIGI were to be adopted."
    - Association of National Numbering Agencies
- "The existing CUSIP/ISIN model has been in broad use, extended geographically and incorporates nearly all asset classes . . . . FIGI can be used for a limited number of asset classes that do not normally have a global identifier"
    - Bank Policy Institute
- "[T]he CUSIP has been and remains the industry standard in the U.S., oftentimes preferable to the FIGI due to the FIGI's perceived lack of single identifier fungibility"
    - Cboe Global Markets
- "ISIN is by far the predominant underlying instrument identifier for securities used by firms . . . . The FIGI is the most infrequently used alternative identifier with 1 UPI created and 4 existing UPIs retrieved using the FIGI."
    - Derivatives Service Bureau
- "[I]nstrument identifiers are broadly applied to loans, and CUSIP is one of the most used identifiers. One reason why CUSIP works well for loans is that a CUSIP is available on a restricted or published basis. Given that many loans are private instruments, the availability of a restricted identifier is an important attribute for a loan identifier and encourages voluntary adoption of the identifier. A restricted CUSIP is not published across data feeds, but it is available to market participants (e.g., administrative agents, lenders, custodians, trustees, and fund administrators) and regularly used by market participants to enable a more orderly and efficient market."
    - LSTA
- "As market stakeholders, we have a number of questions pertaining to how the incorporation of the FIGI into MSRB information systems would work, particularly given the market's existing reliance on the CUSIP number as a security level identifier."
    - National Association of Bond Lawyers
- "State Treasurers strongly oppose any change that designates an identifier other than the Committee on Uniform Securities Identification Procedures (CUSIP) as the exclusive common identifier for municipal securities . . . . CUSIP-based identifiers play a critical role in facilitating the accurate and efficient clearance and settlement of securities, as well as managing income payments throughout the lifecycle of an issue."
    - National Association of State Treasurers

- "Many firms currently rely on widely accepted identifiers such as CUSIP, ISIN, or UPI for instrument identification and associated regulatory reporting. The transition to reporting based on the FIGI would necessitate significant operational changes, including remapping data systems to incorporate FIGI."
    - SIFMA
- "CUSIP is the most accurate security identifier for formal record-keeping. If the goal of the FDTA is to enable accurate financial reporting, the FIGI does not achieve this in my view, which is based on my real-world processing and recordkeeping experience. The FIGI is 'permanently assigned' to a given stock or bond, which works well for front-office trading technology such as the Bloomberg terminal. However, I contend that for recordkeeping, CUSIP is the more accurate security identifier, as it intentionally adapts to address specific use cases."*
    - Cynthia Meyn, Zircon & Company, Inc.
- "Everyone I know relies upon the CUSIP and ISIN. This is not only because CUSIP has been the standard since 1968, but also because it is far more accurate because of the non-permanence feature discussed above. Perhaps lack of FIGI adoption in the back-office is because the FIGI technology is newer; but I believe it is because CUSIP is highly reliable, deeply ingrained for inter-operability among market participants, and relatively less expensive."*
    - Cynthia Meyn, Zircon & Company, Inc.

Commenters agree that the Agencies' actions would be disruptive to the interoperability of the global financial system

- "Furthermore, even if the Agencies mandate the use of FIGI for the purpose of regulatory reporting in the U.S., it is highly unlikely that FIGI will become the global standard for reporting financial instrument identifiers in other national jurisdictions.
    - Association of Global Custodians
- "In a similar vein, standardization without specificity can be disruptive to global harmonization efforts, particularly for multinational financial institutions which may need to comply with conflicting standards across multiple jurisdictions or other relevant standards that may continue to evolve."
    - Cboe Global Markets
- "FIA is concerned about complications with the Joint Data Standards that may present for firms who operate both within and outside the U.S. . . . maintaining data standards within the U.S. that are different from the rest of the enterprise globally would likely mean that various systems within the global entity struggle to communicate with each other and transfer data to and from each other."
    - Futures Industry Association
- "Given the global nature of many reporting requirements, it is also important for the covered agencies to carefully consider and include in any economic impact analysis the anticipated cost impact for transactions in foreign securities that are subject to reporting."
    - Financial Information Forum
- "The global financial ecosystem relies on interconnected infrastructure and diverse stakeholders. Any disruption to existing systems, particularly without clear operational guidelines, could have unintended consequences on market transparency and data integrity."
    - London Stock Exchange Group

- "We are concerned that any move towards mandated use of the FIGI would bring the US out of alignment with broader international trends in financial instrument identification. For example, regulators internationally have not looked to the FIGI in their rulemaking . . . . To move away from international approaches to instrument identification would disrupt the ability to effectively aggregate and share information internationally and create challenges for firms active in multiple jurisdictions who need to comply with divergent standards."
    - SIFMA
- "FIGI lacks international adoption, with its use being limited to certain markets, such as Brazil, and it is not aligned with the globally accepted ISIN framework. In contrast, CUSIP maintains consistency with ISIN, ensuring broader compatibility and standardization."*
    - SIFMA
- "While Nasdaq supports the idea of standardized financial data, we are concerned about overlapping and redundant taxonomies. Without specific guidance, introducing new identifiers risks creating an overly complex framework that is misaligned with global market practices. In addition, the lack of consistency with global identifiers could undermine the harmonization of regulatory data standards. We are further concerned that the proposed rules may overlap with existing regulatory reporting frameworks, including those mandated under Regulation SCI, Regulation NMS, and the Consolidated Audit Trail."*
    - NASDAQ

Statistics for Comment Letters addressing FDTA filed with all 9 Agencies[2]

35% of the filed letters provided favorable comments on the Proposed Rule, while 65% opposed it on various grounds. Specifically, with respect to the Proposal to establish FIGI as the exclusive Financial Instrument Identifier for Reporting, the comments can be summarized as follows:

Commentor Category	Constituencies Represented	Number supporting FIGI as exclusive Financial Instrument Identifier
Exchanges & Clearinghouses	– DTCC commenting for o US Equities Clearing o US Fixed Income Clearing o National Securities Clearing – US Equity Derivatives Clearing – US Exchange for equities, fixed income, interest rates, energy, credit, currencies and metals – Cboe for its six Exchanges – European Exchange and Clearinghouse – Nasdaq	**None of 6**
US Trade Associations	– Asset Management – Blockchain – Bond Dealers – Bond Lawyers – Broker-Dealers – College and Universities – Consumer interests – Corporate Loans – Credit Unions – Fiduciary Investment Advisers – Financial Services Experts – Financial Technology Vendors – Futures Industry – Global Custodians – Government & Public Finance – Health & Educational Facilities – Independent Businesses – Investment Banks – Municipal Analysts – OTC Swaps and Derivatives – State Treasurers – US Leading Banks – Wealth Management	**3 of 33**
US Municipal/Regional Public Jurisdictions	– Cities, Counties, and States from across the US	**None of 25** *Most oppose Proposal on grounds of unfunded federal mandate & disproportionate impact on small municipalities.*
60-day Extension Requests	– US Market Participants and Municipal/Regional Public Jurisdictions	**None of 6**
All Commenters *excluding the 6 ungranted extension requests*	– US and Foreign Market Participants and Public Jurisdictions	**21 of 114** *Support of FIGI comes from 8 international commenters and 13 in the US.[3]*

[2] Counting letters filed by same commenter with multiple agencies or multiple times only once; excluding filed comment letters not addressing FDTA at all.

[3] US commenters included letters from two parties related to FIGI (Bloomberg and 2 letters from OMG); 3 individuals/ consultants; the three US trade associations above; an ETF-focused asset manager; a small investment advisor/ solutions provider; a law firm; and a solution provider that matches sell and buy side event interest.