

22 October 2008

The Secretary
Securities and Exchange Commission
100F Street, NE
Washington DC 20549-1090
e-mail to rule-comments@sec.gov

Subject: File No. 4-567, 21st Century Disclosure Initiative – Request for Comments

To place things in context, the Global Trust Center (GTC) is a non-profit, independent and international organisation that develops policy, standards and procedures to enable trust in all digital interactions.

The GTC Policy was developed to enhance the level of trust in digital interactions which very much includes financial information exchange. This comprehensive approach ensures compliance with industry standards and national legislation whilst taking a technology neutral view. It permits the all parties to interact with full transparency and accountability.

GTC concept enables trust, accountability and traceability whilst enabling interoperability across disparate systems – essential features to improve the disclosure system under this SEC initiative and transitioning away from the traditional physical world practices.

The need for financial reporting is very well established and is required by legislation. The investment in XBRL is proving very fruitful as it provides the ideal solution for gathering, presenting and disseminating the required financial information.

At the GTC our concern is to ensure that all financial information entering, being processed within, or leaving the Corporate Reporting Supply Chain¹ can be proven to originate from reliable and verifiable sources. The Supply Chain originates within commercial organisations, is filed with regulatory authorities, further processed and distributed by third parties, the investor – the end user – must have this level of assurance at each stage of the financial reporting process to establish trust in the financial information and the supporting system to enable sound investment decisions to be made.

¹ As defined by Building Public Trust, The Future of Corporate Reporting, Samuel A DiPiazza Jr and Robert G Eccles, John Wiley & Sons Inc, New York, 2002.

Throughout the Supply Chain a number of individuals and legal entities are involved, each contributes to the activities according to their role, responsibilities and accountabilities.

To enable trust in our digital world, the GTC takes a policy based approach supported by suitable infrastructure whilst meeting the necessary legal and business requirements in a technology neutral manner.

Based on the Global Trust Center Policy on Enabling Trust in the Digital World, a Personal Digital Identity (PDI) is created. The main function of the PDI is to secure the identity, integrity and legality of the individual user (the PDI holder) in their various roles – private as well as professional.

Each individual and legal entity (reporting companies or government agencies) is acting in a verifiable role which has agreed accountabilities and responsibilities throughout the digital interactions. Verification is based on references that exist in the physical world, they work the same way as traditional identity based on references – who knows you and how well. Accountability and responsibility is based on physical world experiences. We aim to mirror the physical world into the digital world to enable basic human rights.

To ensure the provenance of the information, the content of the interaction, a secure audit trail is produced which maintains a record of the identity of the individuals and the legal entities, an encrypted digest of the content and an accurate time-stamp. This information is securely created, maintained and stored by an independent witness to the transaction. The entire system and process is connected via a secure network.

Should a dispute arise relating to the content or an activity or a reputational or intellectual property incident the audit trail can be recovered and investigated to substantiate or refute the claim.

Taking this functional, rather than a technical, approach allows the GTC concept to be integrated within any existing or future technology system, work with any data or information structure and at any stage within the overall process or sub-processes.

To discover more about our approach and to view a pilot implementation, our recommendation is to join us for a workshop.

Yours Faithfully,

Ray Nightingale,
Policy Director,
GTC Market Support