



## **Submission to the Securities and Exchange Commission**

**RE: Draft Strategic Plan**

**Submitted by: Global Legal Entity Identifier Foundation (GLEIF)**

**Date: July 1<sup>st</sup>, 2026**

Dear Securities and Exchange Commission (SEC),

The Global Legal Entity Identifier Foundation (GLEIF) appreciates the opportunity to respond to the SEC's notice of proposed rulemaking. As the not-for-profit organization tasked with operating the Global Legal Entity Identifier System (GLEIS), GLEIF proposes the integration of the Legal Entity Identifier (LEI) and its cryptographically verifiable counterpart, the verifiable LEI (vLEI), to promote transparency, enhance fraud detection, and support innovation in stablecoin markets.

### **First, some background on GLEIF:**

Established by the Financial Stability Board (FSB) in June 2014 under the mission of improving financial stability and transparency due to the aftermath of the financial crisis, GLEIF is tasked to support the implementation and use of the LEI (Legal Entity Identifier, ISO 17442). Even though the primary and initial usage and adoption of the LEI predominantly was in financial markets and financial instruments, the LEI is use-case agnostic and therefore has been embraced by different industry sectors and regulators since its introduction by the Regulatory Oversight Committee (ROC), in which the SEC is a member, in addition to the Board of Governors of the Federal Reserve System (Board), Consumer Financial Protection Bureau (CFPB), Commodities Futures Trading Commission (CFTC), Federal Deposit Insurance Corporation (FDIC), Office of the Comptroller of the Currency (OCC), and the Department of Treasury (Treasury).

### **The LEI and the verifiable LEI (vLEI):**

The "Legal Entity Identifier" or "LEI" is a 20-character, alpha-numeric code based on the ISO 17442-1:2020 standard developed by the International Organization for Standardization (ISO). The LEI uniquely and unambiguously identifies a legal entity and which meets the requirements of section 124(c)(1) of the Financial Data Transparency Act (FDTA). The LEI is nonproprietary, and the LEI data is made publicly available under an open license, free of charge to any interested user. The LEI connects to key reference information that enables clear and unique identification of legal entities participating in financial transactions including their ownership structure.

In October of 2024, the ISO 17442 standard was expanded to specify how LEIs can be embedded in digital credentials. The vLEI is a digital credential that makes an LEI instantly and cryptographically verifiable when presented in digital form, enabling digital interactions that utilize the vLEI to have a high level of assurance about the identity of the actors and the organizations they represent.

The vLEI addresses critical needs to tackle emerging identity-based risks, offering a secure, verifiable approach to organizational identity and organizational credentials, namely the permissioning and



authentication of organizational identity and the digital signing and submission of official documentation (such as regulatory filings, reports, data submissions), including the signing of the content therein. vLEIs are digital credentials that leverage the LEI to indicate the identity of a legal entity, enabling the cryptographic verification of the identity of the organization to its LEI and allows further verification that persons accessing a portal or system for submitting filings, reports or data represent that organization. Further, digital signing of filings, reports or data prevents the tampering of the filing, report or data from the point that it is signed by the organization.

**Goal 3. Optimize our operational efficiency by enhancing our organizational structure, modernizing our technology, and fostering employee performance and accountability - Objective 3.2: Review and modernize our technological infrastructure, systems, and tools, including comprehensively reviewing the EDGAR system and advancing the responsible use of artificial intelligence across the SEC.**

The vLEI can upgrade the SEC's EDGAR system by establishing cryptographically secure, machine-verifiable organizational identities and automated role verification. This streamlines B2B transactions and bolsters compliance in three key areas:

**1. Eliminating Manual KYC and Wait Times:**

Currently, verifying corporate identities and authorized filing representatives involves manual, time-consuming compliance checks. The vLEI allows EDGAR to instantly and cryptographically verify both the corporate entity's legal existence and the specific authorization of the individual submitting the filing.

**2. Upgrading Security and Delegated Access:**

The vLEI replaces passwords and other less secure forms of multifactor authentication with cryptographically secure, automated authentication of organizations and persons who represent them. vLEI credentials cryptographically bind an organization's LEI as well as the organization's representatives to the organization in their specific corporate role (e.g., CEO, Director). Use of the vLEI streamlines secure sign-ins and verifies exact permissioning without human intervention. With the transition to EDGAR Next, the SEC replaced legacy passphrases with individual account credentials and multi-factor authentication. By integrating vLEIs, EDGAR could automate how companies grant, revoke, and manage delegated filing authority to their authorized filing representatives including to third-party agents (e.g., law firms or filing agencies) securely, preventing unauthorized access and reducing administrative friction.

**3. Quantum Readiness:**

By utilizing the underlying cryptography of the vLEI the SEC and financial markets can establish a tamper-proof, quantum-resistant identity and signature framework for regulatory compliance. The vLEI is highly effective for preparing for post-quantum cryptographic (PQC) readiness for a few key reasons:

- Quantum-Safe KERI technology: The vLEI is built upon the Key Event Receipt Infrastructure (KERI) protocol. KERI is algorithm-agile by design, enabling a managed transition to quantum-



resistant cryptography as such standards mature. This ensures the identity layer of an organization's business remains secure even as adversaries gain advanced attack capabilities.

- **Cybersecurity Defense:** The recently released Five Eyes Cyber Security Agencies Statement warns that the evolving landscape of AI is rapidly transforming cyber risk, urging organizations to strengthen identity and access controls and enforce strong authentication. The KERI protocol directly supports these priorities by establishing cryptographically verifiable identity and data provenance ensuring that even as AI enables more sophisticated forgery and impersonation, the authenticity and origin of an organization's credentials and communications can be independently verified and are non-repudiable.
- **Tamper-Proof Regulatory Reporting:** Financial regulators rely on accurate, verifiable disclosures. The vLEI allows CEOs, CFOs, and auditors to cryptographically sign and seal annual reports and compliance filings. Because the underlying cryptographic hash is quantum-resistant, it prevents sensitive, financial data from being decrypted or forged in the future.
- **Decentralized Trust:** Using the vLEI means the SEC and financial institutions do not have to rely entirely on centralized Public Key Infrastructures (PKI), which often have single points of failure. Instead, the vLEI enables decentralized, interoperable, and continuous validation of an organization's legal identity.

### **Intersection with the Final Joint Data Standards Under the FDTA**

GLEIF also wants to provide an update on the Financial Data Transparency Act, which was enacted as Title LVIII of the FY23 NDAA (P.L. 117–263). The Act passed the House on suspension earlier that Congress (H.R.2989, 117) and has remained a bipartisan effort through the implementation process to date. The FDTA amends subtitle A of the Financial Stability Act of 2010 by adding a new section 124, which directs the agencies jointly to issue regulations establishing data standards for (1) certain collections of information reported to each agency by financial entities under the jurisdiction of the agency, and (2) the data collected from the agencies on behalf of the Financial Stability Oversight Council (FSOC).

The term “data standard” is defined by the statute as a standard that specifies rules by which data is described and recorded, and its core is a legal entity identifier. The statute outlines specific criteria that an identifier must meet to be used for the data standard. Specifically, the identifier must be “a common nonproprietary legal entity identifier that is available under an open license for all entities required to report to” the participating agencies.

The U.S. financial regulators proposed joint rules to implement the statute in August 2024. Eight of the regulators, including the Treasury, were required by statute to participate; the CFTC opted voluntarily to participate. The joint proposed rule expressly designated the LEI as the legal entity identifier joint standard and detailed its ability to meet the outlined criteria.

The SEC and CFTC issued the joint final rule on June 8, 2026, with seven additional agencies finalizing, or expected to finalize, the joint standards shortly thereafter. Consistent with the proposed joint rule, in section 2(a)(1) of the June 2026 joint final rule, the agencies formally establish the



International Organization for Standardization (ISO) 17442-1:2020, Financial Services—Legal Entity Identifier (LEI) as the legal entity identifier joint standard required by the statute. The joint final rule becomes effective on October 1, 2026.

However, the rule will not immediately alter existing reporting requirements on the effective date. The FDTA requires agencies to undertake two rulemakings on this matter. First, it directs the agencies to establish a joint data standard, which was finalized in June. Second, the FDTA directs each covered agency to issue an agency-specific rule applying the joint data standard to its regulated entities not later than two years after the final joint rule is promulgated. This tiered structure ensures that the goals of the statute are achieved, while enabling agencies to tailor the application of the joint data standard to their operations.

As the SEC and other regulators continue to promulgate stablecoin regulation, GLEIF encourages regulators to incorporate statutory language on the use of identifiers to promote efficiency and transparency for both federal regulators and the entities covered by these frameworks. Ultimately, with the SEC party to the June 2026 final rule, incorporating references to the LEI/vLEI or the FDTA's common identifier/data standard language into future market structure rulemakings will improve internal agency coordination and promote harmony across the FDTA.

**Conclusion:**

On June 22, 2026, President Donald Trump signed two executive orders related to quantum technology, federal technology and cybersecurity policy: *Ushering in the Next Frontier of Quantum Innovation* and a companion order, *Securing the Nation Against Advanced Cryptographic Attacks*. The first launches a national effort to build a powerful quantum computer and to expand the U.S. quantum ecosystem; the second accelerates the federal government's migration to post-quantum cryptography.

GLEIF appreciates the opportunity to provide feedback on this draft proposal and encourages the inclusion of the LEI and vLEI in the SEC's strategic plan. GLEIF remains at the SEC's disposal to further discuss and support your work. Do not hesitate to engage us in your discussions and questions related to standards.

Submitted by:

Alexandre Kech, GLEIF CEO  
Alexandre.Kech@gleif.org