



October 21, 2024

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

Submitted via email to:

**RE: Docket ID OCC–2024–0012, Financial Data Transparency Act Joint Data Standards
Under the Financial Data Transparency Act of 2022**

FROM: ISITC (isitc.org) on behalf of its Membership

On August 22, 2024, nine federal Agencies (the “Agencies”)¹ published in the Federal Register a proposal to establish joint data standards for collections of information reported to the Agencies under Section 124 of the Financial Stability Act of 2010, which has been added pursuant to Section 5811 of the Financial Data Transparency Act of 2022 (“FDTA”)² (the “Proposal”).³

ISITC⁴ is grateful for the opportunity to respond to the interagency Proposal to implement FDTA. ISITC’s core mission is to connect global financial services experts to reduce capital market risk and increase operational efficiencies driving the industry forward. We welcome continued interaction with the industry at large and offer a unique perspective of key participants, including asset servicers,

¹ The Agencies include: the Office of the Comptroller of the Currency (the “OCC”), the Board of Governors of the Federal Reserve System (the “Board”), the Federal Deposit Insurance Corporation (the “FDIC”), the National Credit Union Administration (the “NCUA”), the Consumer Financial Protection Bureau (“the CFPB”), the Federal Housing Finance Agency (the “FHFA”), the Commodity Futures Trading Commission (“CFTC”), the Securities and Exchange Commission (“SEC”), and the Department of the Treasury (“Treasury”).

² 12 U.S.C. § 5334(b).

³ Financial Data Transparency Act Joint Data Standards, 89 FR 67890, Document Number 2024-18415, Pages 67890-67908 (proposed Aug. 22, 2024) (the “Proposal”), See also <https://www.govinfo.gov/content/pkg/FR-2024-08-22/pdf/2024-18415.pdf>

⁴ ISITC, founded in 1991, is the industry trade group focused on developing standards and best practices in financial services operations globally. ISITC brings together asset servicers, broker/dealers, asset managers/owners, solution providers and other industry professionals to develop standards that are designed to enhance efficiencies in trade processing and related communications.

Through collaboration, ISITC’s volunteer members (as listed on our membership page) reduce inefficiencies, lower risk and build shareholder value while developing and promoting the global securities industry. ISITC provides members with the means to revolutionize the securities-trading process. (see: <https://isitc.org>)



broker/dealers, asset managers/owners and solution providers that operate in the U.S. securities markets in both domestic and cross-border arenas.

We understand overall that the proposed changes are designed to introduce standardized data collection and reporting requirements across U.S. financial regulatory agencies with the intent to enhance transparency, interoperability, and consistency in regulatory reporting.

The industry has realized success with supporting multiple standards for both instrument and entity identification while still achieving scale, standardization, and reducing risk within capital markets. The ability to afford optionality with data standards is evidenced within documents published by ISITC and global market practice groups.

We offer the following comments in this letter regarding two aspects based on the feedback received from our membership:

1. **Cost to the Industry and a Lack of a Cost Benefit Analysis:** It should be acknowledged by the Agencies that not all firms, or delegated reporting service providers, leverage the prescribed identifiers within their firms. For those that do have them in their technical infrastructure, the utilization very well may be on a case-by-case basis. 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.
2. **Time to Implement:** Post a more adequate cost-benefit analysis being performed, ISITC proposes that the Agencies may need to provide more than 2 years for implementation depending on the outcome of the cost-benefit analysis. Consideration should be given to establish enough time to implement a change which may impact a significant number of firms and/or delegated service providers. The costs highlighted above, depending on their size and scope, will require significant time to market to ensure compliance and remove potential risks.

Conclusion

ISITC, as stated, is a volunteer-run, vendor-neutral, market practice organization focused on education and collaboration for finding common solutions to shared problems within the global securities industry. We wish to be clear that our letter and statements here are presented in that vein only, i.e. to educate and provide information based on the expertise of our participating membership. The views of ISITC are its collective views as market experts and are not necessarily representative of any individual firm's position.

Since 1991, ISITC has been committed to moving the industry forward, via collaboratively created market and best practices, to a straight through processing environment, through automating messaging and communication across the many varied participants involved in the post-execution trade flow. It



should be noted that ISITC has no formal affiliation with the ISITC Europe organization. Further, ISITC does not support or endorse ISITC Europe's feedback on FDTA.

To that end, ISITC constituents would appreciate the opportunity to work with the federal Agencies and other industry participants in examining some areas that we believe may have adverse impacts to achieving the goals of the Proposal and look forward to more detailed discussions to further inform a path forward to enable the stated goals.

Any questions should be provided via email to fdtacomment@isitc.org