

By E-Mail: rule-comments@sec.gov

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

28 May 2025

Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Rules Relating to the Legal Entity Identifier Requirement (File No. SR-NSCC-2025-009)

Dear Ms. Countryman,

The BVI¹ gladly takes the opportunity to present its views on the support of the proposed rule change filed with the Securities and Exchange Commission ("Commission") by the National Securities Clearing Corporation (NSCC) that will require each applicant applying to become a Member or a Limited Member to obtain and provide a Legal Entity Identifier ("LEI") as part of its membership application, each Sponsoring Member to provide an LEI for each of their current Sponsored Members and for each newly added Sponsored Member going forward, and CDS Clearing and Depository Services Inc. to provide an LEI for each current CDS Participant for which CDS maintains a subaccount at NSCC and for each newly added CDS Participant going forward.

BVI also supports the proposed requirement that each Member and Limited Member to always have a valid current LEI on file with NSCC at all times. The requirement for an entity to review its LEI record contributes to maintaining a high level of data quality, because it requires re-validation of the LEI reference data recorded for a legal entity against third party sources by the LEI Issuer.

As noted in the proposed rule change, the costs of obtaining and renewing an LEI are minimal, and in addition, are governed by a cost-recovery model and imposed only to the degree necessary to cover the administrative expenses of the LEI system. Moreover, as cited in the proposed rule, approximately 88 % of Members, 48 % of Limited Members, and 100 % of CDS Participants currently have an LEI.

The LEI empowers organizations to cut costs and create efficiencies across a wide range of business operations. It has already increased transparency within capital markets and banking by facilitating

¹ BVI represents the interests of the German fund industry at national and international level. The association promotes sensible regulation of the fund business as well as fair competition vis-à-vis policy makers and regulators. Asset managers act as trustees in the sole interest of the investor and are subject to strict regulation. Funds match funding investors and the capital demands of companies and governments, thus fulfilling an important macro-economic function. BVI's 116 members manage assets of EUR 4.5 trillion for retail investors, insurance companies, pension and retirement schemes, banks, churches and foundations. With a share of 26%, Germany represents the largest fund market in the EU. BVI's ID number in the EU Transparency Register is 96816064173-47. For more information, please visit www.bvi.de/en.



business-critical operations including KYC, client onboarding and AML processes. In a similar manner, the adoption of the LEI by NSCC is a crucial step towards improving the quality of data that is collected from participants as well as the processes for collecting customer data.

BVI remains at the Commission's disposal to further discuss and support the adoption of the LEI requirement as proposed by NSCC. Please do not hesitate to engage us in your discussions and questions related to the LEI.

Yours sincerely,

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Managing Director

Felix Ertl
Vice President