Petition for Rulemaking on the Representation and Verification of Tokenized Securities

Submitted for consideration under Rule 192 of the Commission's Rules of Practice

Monica Elizabeth Pagano

To the Secretary of the United States Securities and Exchange Commission

Petitioner: Monica Elizabeth Pagano, researcher and creator of ERC-Genesis
Date: November 5, 2026

Under 17 C.F.R. § 201.192, I petition the Securities and Exchange Commission to initiate rulemaking establishing a common standard for the representation and verification of tokenized securities within its jurisdiction. I ask the Commission to define what must be verifiable about a security represented on a distributed ledger, who is accountable for the representation, and what evidence must be available to investors and authorized reviewers.

The standard should enable a reviewer to establish what an investor holds; what rights and restrictions attach to that position; which record governs; and, where material, how the instrument connects to underlying obligations, assets, collateral and cash flows. Those facts should remain intelligible after a transfer, corporate action, correction, provider change or migration. The requirements should apply whether the ledger is authoritative for a particular function or is a representation of a separate record.

ERC-Genesis is the research and development initiative from which I approached those relationships. I also offer two independent demonstrations grounded in public filings: the BANK5 2025-5YR17 commercial mortgage securitization, with a detailed reconstruction of Loan No. 2, and Blackstone Real Estate Income Trust, Inc. (BREIT), with Bellagio as a worked example of a distinct underlying exposure. These cases let the Commission examine whether common requirements can work across instruments with materially different legal and economic structures.

1. Petitioner interest and requested action

I have developed ERC-Genesis through research on the relationship among assets, rights, financial instruments and their digital representation. Two works form part of that research and were registered as scientific works under two separate registrations. I have submitted research and comments to the Commission concerning institutional tokenization, market architecture and transfer-agent modernization. I have an interest in the development of common market requirements and a separate interest in the intellectual property associated with ERC-Genesis. I disclose that interest so the Commission can evaluate this petition on its merits.

I request that the Commission:

1. Publish this petition for public consideration and initiate a proceeding toward proposed rules. If the Commission prefers to begin with a concept release, I request that it address the minimum requirements and tests proposed here.
2. Specify obligations by function and legal responsibility, including where appropriate issuers, transfer agents, broker-dealers, custodians, trustees, administrators and other parties involved in maintaining or communicating a covered representation.
3. Publish an implementation-neutral data specification and a conformance test suite. A firm should be able to demonstrate compliance without licensing any particular implementation.
4. Evaluate whether different providers can demonstrate the same required outcomes. If the Commission wishes to consider information about ERC-Genesis, I request that it follow the written request process described in Appendix F. Invite participants to report data gaps, reconciliation failures, costs and implementation tradeoffs.
5. Coordinate with other authorities where the relevant activity or source record falls within another jurisdiction. Identify existing requirements that should remain applicable and any new requirements needed to address gaps.

2. Prior submissions and the action now requested

The four submissions below form the background to this petition. They express my analysis and proposals. Their availability on the Commission's website does not imply Commission agreement or endorsement.

Prior written input	Contribution to this petition
February 2026 — *From No-Action to No Doctrine: From Davos to the SEC and the ECB — The Structural Gap*	Identified the limits of addressing recurring questions one arrangement at a time. This petition asks for a common minimum that can be applied before an interest is offered or represented and revisited as it changes.
February 2026 — *The Ontology of the Token: A Structural Transatlantic Convergence Between the European Blockchain Sandbox and U.S. Regulatory Practice*	Examined why classification should turn on the legal interest and what the arrangement actually does, rather than on its label. This petition turns that analysis into a proposed requirement to identify the interest and its legal basis.
August 2026 — Written input on institutional tokenization and market architecture	Examined ownership records, custody, collateral, trading and settlement as distinct institutional functions. This petition asks the Commission to require a clear allocation of responsibility and to distinguish the state of a representation from the legal or operational state of the relevant function.

September 2026 — *Reconstructing Institutional Finance: Three Real-Market Structures. One Asset-to-Instrument Architecture*	Examined BANK5, the DTC/Nasdaq market structure and Standard Chartered's Project Guardian trade finance reference. This petition uses the different starting points to explain why one verification principle is needed across different instruments.

My prior submissions explained the problem and examined ways to address it. I now ask the Commission, under Rule 192, to consider adopting a rule of general application for covered representations. BREIT and Bellagio are included here as an additional example of a different legal and economic relationship.

3. Why the Commission should set a common rule

A token may represent a security issued directly to its holder, a position maintained through an intermediary, or a separate contractual interest that references a security. These arrangements can look similar to an investor while conferring materially different rights, protections and remedies. An investor should not have to infer those differences from a platform's terminology or interface.

The same problem applies to underlying assets. An interest in a securitization may be linked to a pool of obligations and collateral without giving the investor direct rights to the property or its income. A share of an investment vehicle may provide indirect economic exposure to an asset without conveying title to the asset or a direct claim on its rent. A common standard should require the representation to make the distinction clear wherever it is material.

Fragmentation becomes a supervisory problem when comparable positions are described in inconsistent terms or when the meaning of a position can only be recovered by asking the provider that created it. A discrepancy between records, a change of service provider, or a correction to an underlying disclosure should not make it impossible to explain what an investor owns. A representation that is intelligible at issuance should remain intelligible after transfer, restriction, distribution, correction and migration.

The need for a common rule arises because the same investor protection question follows a security across institutions. An issuer may describe the instrument, an intermediary may hold

the position, and another party may represent it to the investor. Each can satisfy its own internal conventions while the investor still cannot establish which record governs or what evidence supports the claimed exposure. A provider-specific disclosure or technical standard may improve that provider's practices, but it cannot ensure that competing providers describe the same interest consistently or take responsibility for the same discrepancies.

Fragmentation may deepen if each platform brings trading, custody, payments, and position records together within its own environment. This integration can simplify operations within that environment. However, if each provider defines for itself what it means to hold, transfer, or settle a position, investors will find it harder to compare offerings and supervisors will find it harder to reconstruct what happened across platforms. A visible record does not, by itself, establish who holds the enforceable right or which record governs.

Regulation NMS offers an analogy: the existence of multiple trading venues does not prevent the Commission from establishing common rules to preserve the links between them. This petition does not seek to extend Regulation NMS to other instruments. It raises a distinct question: **when two platforms present a position as the same security, both should be able to demonstrate which economic and governance rights are preserved and how their records are reconciled.** If one platform offers a different contractual exposure, it should identify the right, the party against whom it may be enforced, and the material differences. Sharing the same asset name, ticker symbol, or reference price does not establish legal equivalence.

Individual reviews remain useful for novel arrangements. They do not, by themselves, establish a common baseline that an investor can expect when comparing providers, or that a supervisor can apply when examining similar representations. I ask the Commission to use its public rulemaking process to define that baseline, determine who owes each duty, and consider where existing obligations already do the work. The standard should complement the existing securities framework and preserve the authority of other laws and records over the underlying assets.

The practical question for every covered representation is the same: Can a reviewer establish what the investor owns, what connects that interest to the claimed asset or obligation, and what evidence and authority support the connection? The answers may differ by instrument. The duty to provide an intelligible and verifiable answer should not depend on the platform.

4. Scope and legal boundaries

The initial scope should cover securities within the Commission's jurisdiction for which a person uses, or represents to investors that it uses, distributed ledger technology to issue a security, maintain or represent a position, record a transfer, or coordinate settlement. Internal analytics or indexing documents alone should not trigger the proposed rule. The Commission should consider obligations separately for an issuer-sponsored record, an intermediated position, and a third-party instrument providing separate exposure to a reference security.

Application should be function based. The Commission should determine the appropriate statutory basis, regulated person, thresholds and rule placement for each obligation. Existing offering, disclosure, custody, transfer, trading and recordkeeping obligations remain applicable according to their own terms. This proposal does not seek to create a new category of security or change an available exemption.

Where a record governs only a particular function, the representation must state that boundary. A ledger used for investor positions need not be the authoritative record of property title, cash balances or liens. Nothing in this proposal would establish title, perfect a lien, alter creditor priority, confer authority to issue a security, or determine the effect of a settlement event under other applicable law. The proposal does not require a public blockchain or publication of investor identities, private keys, confidential contracts or restricted supervisory data.

5. Proposed rule text

Model text submitted for consideration. The Commission would determine statutory authority, placement, the responsible persons subject to each duty, and any conforming amendments.

§ Representation and verification of covered tokenized securities

(a) Scope and identification of responsible persons. Each covered person, for the function it performs, shall maintain or provide the records required by this section. A covered representation is a digital representation used or held out to investors as used to issue, maintain, transfer or settle a security within the scope defined by the Commission. The representation shall identify the security or separate interest represented; the issuer or obligor; the responsible party for each material function; and whether the position is issuer-sponsored,

intermediated or created by a third party. An outsourced function shall be identified together with the person accountable for its oversight.

(b) Persistent identification. The covered person shall maintain persistent identifiers for the instrument and each applicable class or series, with documented mappings to authoritative external identifiers where available. Identifiers and their historical mappings shall remain resolvable through amendments, migrations and provider changes. A wallet address, contract address or transaction hash alone shall not satisfy the duty to identify the legal instrument or interest.

(c) Rights and restrictions. The covered person shall identify the legal nature of the holder's position and provide or reference the governing terms. Material rights and restrictions shall be identified, including as applicable voting, distribution, priority, redemption, repurchase, transfer, enforcement and remedies. The representation shall distinguish direct ownership, beneficial interest, security entitlement, secured claim and contractual exposure where those distinctions are material. It shall not present an interest in an issuer or intermediary as direct ownership of a particular underlying asset unless the governing terms support that conclusion.

(d) Material underlying relationships. The covered person shall preserve the relationship between the instrument and material underlying obligations, collateral, portfolio exposures or sources of payment at the level supported by the governing documents and applicable disclosure and recordkeeping requirements. The record shall identify relationship type, effective date, source and extent where material and ascertainable. It shall distinguish a whole obligation from a partial position, an allocation from an appraisal, and a direct claim from indirect exposure. It shall identify the legal or contractual basis for each material relationship and distinguish a disclosed connection from an established right to ownership, enforcement or payment. Aggregate, restricted, disputed and unavailable information shall be identified as such.

(e) Authoritative records and discrepancy resolution. The covered person shall identify the authoritative record for each material function and describe how a discrepancy is determined, escalated and resolved. Where a ledger is authoritative for a function, the basis and responsible party shall be identified. Where it reflects a separate record, the covered person shall reconcile the representation to that record at issuance, following material position changes, and at documented intervals appropriate to the activity. A material

unresolved discrepancy shall not be presented as a confirmed position. Resolution shall preserve the initial discrepancy, evidence, authorization and result.

(f) Lifecycle and settlement events. Records shall distinguish instructions, authorization, execution, confirmation and legal effect. As applicable, the covered person shall retain issuance, allocation, transfer, restriction, cancellation, amendment, distribution, redemption and correction events. Where settlement is represented, it shall identify the state of each relevant leg, the source of finality evidence, and any pending, failed, reversed or disputed outcome. Cash confirmation shall not establish delivery of the security. Passage of time alone shall not establish a successful or failed external settlement where the result remains unknown.

(g) Provenance and correction. A material representation shall reference the applicable filing, governing document, record entry or other evidence. The covered person shall preserve original and normalized values where normalization affects interpretation, and identify applicable units, dates, versions and limitations. Corrections shall record the superseded state, authority, reason and effective time. Documentary facts, calculations, estimates, synthetic data and unresolved items shall be distinguishable. A cryptographic commitment shall not substitute for evidence of the underlying fact, legal effect or actor's authority.

(h) Access and portability. Investors shall receive an intelligible description of their position, rights, restrictions, authoritative record and discrepancy process. The Commission and other authorized reviewers shall be able to obtain relevant structured records and evidence within their lawful authority. A documented export shall preserve identifiers, relationships, versions, events and reconciliation results without dependence on the continued availability of a proprietary interface. Access, retention and disclosure controls shall protect restricted data in accordance with applicable requirements.

(i) Governance and operational continuity. The covered person shall document authority for issuance, changes to terms, corrections, administrative actions, upgrades, migrations and recovery. Controls shall address compromised credentials, unauthorized actions, duplicate events, service interruptions, and replacement or termination of providers. The Commission should specify appropriate thresholds and recipients for material incident notices. The covered person shall retain records sufficient to reconstruct the scope and resolution of a material incident.

(j) Evidence of conformity. The covered person shall document applicable controls and retain results of testing commensurate with the activity. Tests shall include ordinary operations, material exceptions and continuity events. Expected results, actual results and unexecuted tests shall be distinguished. The Commission should specify retention and independent verification requirements proportionate to the activity.

6. Minimum data and evidence specification

Record	Required meaning or evidence
Instrument and class	Persistent identifier; issuer or obligor; identifier mapping; governing documents; nature of the holder's legal position; current status.
Position and record	Class; quantity and unit precision; as-of time; authoritative record by function; recordkeeper; status; relevant restrictions.
Relationship	Source and target identifiers; direction; relationship type; direct or indirect exposure; extent and basis where known; effective dates; evidence.
Document	Source authority; accession or other locator; section, page, table or clause as applicable; effective or reporting date; version; access category; optional content hash and algorithm.

Event	Stable event identifier; actor and authority; affected records; recorded and effective times; prior and resulting state; supporting evidence; correction or reversal linkage.
Amount	Currency; amount and precision; period; category such as underwriting, accrued, received, payable or distributed; source or calculation.
Reconciliation	Systems compared; as-of time and tolerance policy; observed difference; status; assigned owner; escalation, evidence and resolution.
Settlement	Instruction identifier; each leg's status; source and time of confirmation; settlement rule; exception state and resolution authority.

A missing field should have an explicit reason, such as not applicable, not disclosed, restricted, pending or disputed. An unavailable value should not be encoded as zero. Versions should carry both an effective date and the date at which the system recorded the change, so a reviewer can distinguish what applied on a date from what the operator knew at that time. Identifiers must not silently change meaning. If an entity or interest is split, merged, cancelled or superseded, the relationship to its predecessor should remain available.

The information should remain intelligible when reviewed outside the originating platform. Authorized access should preserve the distinction between supporting evidence and confidential underlying records. The Commission should consider whether existing disclosures and recordkeeping arrangements already satisfy these outcomes and whether additional duties are necessary.

7. ERC Genesis and the asset to legal rights connection

My work on ERC-Genesis begins with a distinction that should inform the Commission's rule: an asset, the rights that can be asserted in relation to it, and a financial instrument held by an investor are different things. An investor's legal position cannot be determined from the appearance of a digital representation or from the fact that the representation refers to an asset. The question is what documented legal or contractual relationship connects them, at what level, in whose favor, and with what limitations.

For the Commission, the practical consequence is that verification must reach beyond whether the position appears in an operating system. It must establish what the position means under its governing terms, identify the records that govern it, and explain whether any material asset relationship is direct, indirect, partial, conditional, disputed or not established by the available evidence. That connection is the central issue that ERC-Genesis research brings to this petition. I ask the Commission to make the required outcome common across providers. I do not ask the Commission to mandate or endorse ERC-Genesis.

Appendix A: BANK5 reference case

Instrument: BANK5 2025-5YR17 Commercial Mortgage Pass-Through Certificates. Public evidence: final prospectus, Form 424B2, accession 0001539497-25-002563. Worked example: Loan No. 2, Etude Self Storage West Coast Portfolio. See the loan profile at printed pages A-3-14 to A-3-18 and the applicable Annex A-1 records. These are historical disclosure references, not live servicing records.

The portfolio-level reconstruction distinguishes 44 mortgage loans and 66 mortgaged properties. The detailed Loan No. 2 demonstration traces nine collateral properties into the $115.2 million whole loan and three pari passu notes. The BANK5 position consists of A-1 ($80 million) and A-3 ($5 million). The $30.2 million A-2 companion position is outside BANK5 in this reconstruction. The resulting $85 million position represents about 73.7847% of whole-loan principal. That fraction does not establish an ownership share of the properties or an entitlement to the same fraction of rent.

Property record	City and state	Allocated BANK5 balance
Etude West Coast Locust	Rialto, CA	$13,982,205
Etude West Coast Rancho	Temecula, CA	$13,620,660
Etude West Coast Dinah	Palm Desert, CA	$13,546,875
Etude West Coast Buffalo	Las Vegas, NV	$12,033,550
Etude West Coast Main	Hesperia, CA	$7,400,608
Etude West Coast Forest	Gilroy, CA	$7,168,924
Etude West Coast East Lake	Las Vegas, NV	$6,434,028
Etude West Coast Las Vegas	Las Vegas, NV	$5,644,531

Etude West Coast Walnut	Hesperia, CA	$5,168,620
Sum of allocations		$85,000,001

The one-dollar difference between the property allocations and the reported loan position is retained as a reconciliation exception. The allocations are not appraisals. The profile describes 6,739 storage and parking units in aggregate; it does not supply each customer's contract or verify current receipts. Synthetic unit records, if used for testing, must be identified as synthetic.

The prospectus cash-flow analysis supplies underwriting values including effective gross income of $14,148,947, operating expenses of $4,308,975, net operating income of $9,839,972, reserves of $80,289, and net cash flow of $9,759,683. These reconcile as underwriting arithmetic; they do not establish collections, debt service received or funds distributed. A reviewer must be able to distinguish property receipts, operating expenses and reserves, borrower mortgage payments, allocations among notes, trust funds, and distributions by certificate class. An illustrative waterfall cannot substitute for the applicable servicing and distribution provisions.

Why the Commission should set the rule. A provider can refer to the same properties as another provider and still describe the scope of the investor's exposure differently. A common obligation should require every covered representation to distinguish the obligation from the collateral, the whole loan from the interest included in the pool, and the pool's receipts from the investor's contractual entitlement. Otherwise, the same certificate can appear to convey more collateral or more income in one representation than in another. The supervisory question is whether a reviewer can substantiate each material link using the appropriate documents, and identify where the evidence stops.

Acceptance test A1. Starting from a certificate class, locate the trust, pool, BANK5 position, included notes, whole loan and nine collateral records. Identify the source and relationship type at every step. Verify that the excluded companion note is not counted in the pool.

Acceptance test A2. Recalculate the allocations and preserve the one-dollar exception with the responsible review role. A silent edit to a property balance is a failure.

Acceptance test A3. Introduce a simulated correction to a property record. Identify the affected loan and instrument records without changing the identity of unaffected objects. Reproduce both the original view and the corrected view.

Acceptance test A4. Feed the same amount into different stages of a synthetic scenario as scheduled rent and as cash received. The model must keep the states separate and must reject any rule that treats scheduled rent as a confirmed certificate distribution.

Appendix B: BREIT and Bellagio reference case

Instrument: shares of Blackstone Real Estate Income Trust, Inc. Public evidence: applicable BREIT prospectus; March 2026 NAV supplement, accession 0001662972-26-000055; applicable portfolio disclosure; and the executed Bellagio lease filed as Exhibit 10.1. The NAV supplement reports $54.928181 billion of aggregate NAV as of March 31, 2026 under its stated methodology. That figure is dated and should not be interpreted as the amount of a token issuance, cash available for distributions or a uniform price per share.

The case starts with a hypothetical position in a specified share class and traces the portfolio's disclosed exposure to Bellagio. The underlying documentation includes a November 2019 lease between BCORE PARADISE LLC and BELLAGIO, LLC as originally named parties. A historical exhibit does not by itself establish current title, parties, amendments or an uninterrupted chain of ownership. An ownership percentage must be stated with its date, source, level and denominator. If disclosures use different dates or ownership levels and cannot be reconciled from the documents, the representation should retain the difference rather than infer an undisclosed transaction.

The December 31, 2025 investment schedule in the prospectus, printed page 201, lists Bellagio Net Lease as one property in Las Vegas, with a reported 49% ownership interest, 8,507 thousand square feet and 100% occupancy under the schedule's definitions. The occupancy figure is not hotel room occupancy. The ownership figure is a dated disclosure and

is not a percentage of rent payable to a BREIT shareholder. The March 2026 NAV supplement separately reports a Class I NAV per share of $14.2535 as of March 31, 2026. A historical illustration using this amount must identify the date and must not present it as an executable current subscription price.

This example tests whether a complex commercial asset can keep its particular lease provisions, ownership structure, financing and evidence links while the shares in a given class retain their common terms. It also separates contractual rent, amounts paid, cash available at an asset-owning entity, amounts attributable to the fund's exposure, and shareholder distributions.

Why the Commission should set the rule. If an investor sees the name of a prominent property next to a tokenized position, the representation should leave no ambiguity about whether the investor owns a share in a vehicle or a direct property interest. If providers use different language for that distinction, investors cannot compare like interests reliably. A common rule should require each provider to identify the share-class rights and distinguish them from the fund's indirect exposure, describe the level and date of the reported interest, and disclose unresolved gaps where they matter. It should also prevent contractual rent from being presented as a shareholder distribution. This protects investors without requiring heterogeneous commercial assets to be treated as identical.

Acceptance test B1. Starting at the investor's hypothetical share position, identify the class and terms and follow the link to Bellagio exposure and the public lease. No step should describe the investor as holding title to the property or a direct right to receive its rent.

Acceptance test B2. In a fictional subscription, distinguish order intake, eligibility, issuer acceptance, funding confirmation, share allocation and registration. The class, price date, quantity and cash consideration must reconcile under the chosen precision and rounding rule. A rejected or unfunded order must not appear as an issued share position.

Acceptance test B3. Apply a fictional restricted transfer, distribution and repurchase request. A request must not be represented as executed until authorized and completed. Repurchase limits and deadlines belong to the applicable governing terms. Tokenization does not make an instrument continuously redeemable.

Acceptance test B4. Introduce a conflicting ownership disclosure and a simulated rent change. Record the first as a dated exception and trace the second to the relevant exposure records without creating an automatic cash entitlement for shareholders.

Appendix C: Additional cases from prior written input

DTC and Nasdaq and continuity when an existing security changes form

The September submission examines the DTC/Nasdaq structure from a different starting point: an existing security that may be represented in tokenized form. The issue is whether the representation preserves the applicable security and position rights, or instead creates a different interest or introduces a different intermediary claim. The legal character of the position depends on the specific arrangement and governing records.

Why the Commission should set the rule. Where a representation is described as another form of the same security or position, investors and supervisors should be able to verify what remains the same, who records the position and how conflicting records are addressed. Where an arrangement creates a separate claim, it should identify that claim and the party against whom it runs. No platform's use of the same name or identifier can settle that question across the market. A common disclosure and verification duty would apply the same distinction across providers without prescribing any particular market infrastructure.

Trade finance and changes to the underlying right

The September submission also examines Standard Chartered's publicly described Project Guardian trade finance work as a reference for the relationship between receivables, documentary evidence, pooled exposures and investor rights. The underlying payment claim can be amended, assigned, disputed, partly paid or discharged. A digital position may continue to appear unchanged even though the relevant claim or supporting evidence has changed. No undisclosed receivable, obligor or transfer is assumed in this petition.

Why the Commission should set the rule. Where a security covered by the proposed rule depends materially on such claims, the investor and reviewer should be able to distinguish a reported receivable from an enforceable claim of the relevant party, and an expected payment from an actual collection. The standard should require material changes and limits to be identifiable regardless of how participants maintain their records. It would apply to the

representation of the covered security, without expanding the Commission's authority over trade claims generally.

These examples support a single principle: the required connection is from the investor's position to the legal interest represented, and from that interest to the assets, obligations or records on which a material claim about it depends. The rule should preserve the different answers in each case. It should not force the instruments into the same legal structure.

Appendix D: Cross platform verification outcomes

Test	Minimum acceptable result
Position mismatch	Flag inconsistent ledger and authoritative register quantities. Preserve both values and prevent a disputed state from appearing confirmed.
Duplicate event	A replayed instruction does not issue a second position or count the same payment twice.
Unauthorized change	A valid technical credential without the relevant business authority cannot release a lien, alter a material relationship or approve a restricted transfer.
Unknown cash state	Record the uncertainty; do not display settlement or release a reservation solely because a timeout has elapsed.

Cash confirmed and delivery failed	Preserve the separate leg states, prevent a false settled status and identify the authorized resolution process.
Source substitution	A reviewer can distinguish the original and substituted documents. Integrity of a copy alone does not establish legal validity or authority.
Provider exit	A second system imports a representative export and reconstructs the same identities, meanings, balances and exceptions.
As-of reconstruction	Reproduce the position and evidence for a selected past date, distinguishing later corrections and disclosures.
Restricted evidence	Authorized reviewers can obtain the evidence as permitted; an ordinary investor does not receive private information.
Failure recovery	Resume from an interruption without duplicating a position or losing unresolved events and their evidence.

Assessments should distinguish the expected outcome from what the reviewer actually observed and identify the evidence and authority supporting that conclusion. Metrics can include time to reconstruct a position, completeness of source references, material discrepancies per reconciliation cycle, time to resolution, and migration failures. Report denominator and baseline so comparisons are meaningful.

Appendix E. Regulatory implementation and public comment

The Commission could begin with a concept release or proposed rule focused on identification, rights, authoritative records, disclosure and reconciliation. A second phase could expand portability, lifecycle evidence and failure testing. Existing instruments should not be required to migrate merely because the standard is adopted. For an existing security later represented in tokenized form, transition requirements should reflect its terms and availability of reliable historical records.

Potential costs include mapping data, resolving ambiguities in historical files, agreeing responsibilities, protecting restricted information, performing assurance and maintaining exports. Potential benefits include faster independent reconstruction of positions, less duplicate interpretation, and clearer detection and resolution of breaks. Those benefits should be measured against a non-ledger baseline and may vary by business model. I do not rely on estimates of market size or vendor revenue as evidence that this rule would deliver a particular economic result.

I request comment on who should be accountable where the issuer, intermediary and platform control different records; what investor-facing disclosures are essential; how granular evidence must be for indirect and pooled exposures; how to handle foreign records and legacy gaps; which incidents warrant escalation or notice; what small entities can implement proportionately; and how the Commission should maintain schema and test versions without favoring a specific vendor.

Appendix F. Submission materials and references

Public materials proposed for submission. This petition, the model rule, historical filing references, public evidence examples and verification outcomes.

This petition contains the public policy proposal and references to public materials. ERC-Genesis is the research and development initiative from which I approached this problem. I would welcome a request from the appropriate office to discuss its relevance as an independent reference for evaluating the proposed regulatory outcomes. If the Commission wishes to consider additional information from me, I respectfully request a written request identifying the relevant division or office, the designated recipient, the purpose and scope of the request, and the appropriate submission channel. Before providing any nonpublic

information, I would evaluate the request and confirm the applicable handling and disclosure arrangements with the designated office.

Any further submission would be subject to my separate decision. This petition does not authorize disclosure of nonpublic materials or grant any license or other rights in ERC-Genesis.

Prior public written inputs by the petitioner.

1. From No-Action to No Doctrine, February 2026.
2. The Ontology of the Token, February 2026.
3. Written input on institutional tokenization and market architecture, August 2026.
4. Reconstructing Institutional Finance, September 2026.

Rule and transaction materials.

1. SEC Rule 192: 17 C.F.R. § 201.192.
2. BANK5 final prospectus: Form 424B2, accession 0001539497-25-002563. See Loan No. 2 profile and Annex A-1. Preliminary disclosure is supplemental and should not override final terms.
3. BREIT NAV: March 2026 NAV supplement, accession 0001662972-26-000055. Use with the underlying prospectus and applicable portfolio disclosure.
4. Bellagio lease: Exhibit 10.1, November 2019. Historical executed lease; a full review would also seek operative amendments and related documents.
5. SEC submission instructions: Public Petitions for Rulemaking.

Conclusion

I respectfully request that the Commission define a common standard for the facts a tokenized security must convey and the controls that make those facts verifiable. An investor should be able to determine the position acquired and the rights attached to it. A supervisor should be able to reconstruct that position from authoritative records, trace material underlying relationships and identify exceptions. These protections should remain available across implementations and through changes in providers.

I offer the public reference cases for consideration against those requirements. The Commission may request additional information about ERC-Genesis through the written

process described above. The cases are independent demonstrations based on public information. They do not represent actual issuer deployments, live settlement, or sponsorship or endorsement by a named institution or by the Commission.

Respectfully submitted,

Monica Elizabeth Pagano

Researcher and Creator of ERC-Genesis