



55 Water Street
43rd Floor
New York, NY 10041

Scott Preiss
Managing Director, Global Head
CUSIP Global Services
T: 212.438.6560
scott.preiss@cusip.com
www.cusip.com

December 5, 2016

U.S. Department of Labor
Employee Benefits Security Administration
200 Constitution Avenue NW
Washington, DC 20210

U.S. Department of Treasury
Internal Revenue Service
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Pension Benefit Guaranty Corporation
1200 K Street, NW
Washington, DC 20005

Submitted via email to e-ORI@dol.gov

RIN 1210-AB63 - Notice of Proposed Forms Revisions to the Form 5500 Annual Return Forms

On behalf of CUSIP Global Services (“CGS”), which is operated on behalf of the American Bankers Association (“ABA”) by S&P Global Inc., we hereby submit our comments to the *Notice of Proposed Forms Revisions to the Form 5500 Annual Return/Report Forms* published on July 21, 2016.

Executive Summary

As the operators of the CUSIP system for the ABA since 1968, we applaud and support the approach of the Employee Benefits Security Administration (“EBSA”), the Internal Revenue Service (“IRS”) and the Pension Benefit Guaranty Corporation (“PBGC”) (collectively, the “Agencies”) to utilize CUSIP as the identifier in Form 5500 Annual Return/Report forms, including the Form 5500, Annual Return/Report of Employee Benefit Plan (Form 5500 Annual Return/Report), and the Form 5500-SF, Short Form Annual Return/Report of Small Employee Benefit Plan (Form 5500-SF) when reporting investments in Line 4i(1) Schedule of Assets Held for Investment and Line 4i(2) Schedule of Assets Disposed of During the Plan Year. Given our sole mission to provide unique identification for global issuers, obligors and their related financial instruments, we believe we can provide valuable insight into the proposed revision.

The following sections are offered in the spirit of industry collaboration, offering our specific, practical experience in global data operations and standards development.

Background

CUSIP Global Services (“CGS”) is dedicated to driving efficient trading, clearing and settlement in *capital markets throughout the world by providing a unique common language for identifying financial instruments, their issuers, and obligors across institutions, exchanges and nations.* With over 45 years of experience in the standards and identification businesses, CGS works closely with global market participants to develop innovative solutions to reference data challenges. In order to satisfy the demanding and ever-evolving needs of the financial industry, CGS has made, and continues to make, significant investments in developing and updating its commercial databases and delivering its proprietary

data in formats and frequencies valued in the marketplace. CGS's proprietary databases contain data selected and arranged by CGS through the application of methods and standards of judgment used and developed through the expenditure of considerable work, time and money. CGS licenses access to this data through a wide array of commercial and non-commercial services that is transparent and applied consistently across the financial services industry including permitting numerous data vendors and information service providers to disseminate CUSIP data downstream to their own customers. End-user customers can therefore rely on the provenance of data originating from CGS, which helps them run their operations with reliability. License fees for commercial use cover the expense of maintaining the CGS Data and provide incentives to innovate and upgrade the data products that CGS offers. The American Bankers Association is the owner of all intellectual property rights to the CUSIP system, including all intellectual property rights in and to CGS's various commercial databases.

A Board of Trustees comprised of representatives from leading financial institutions has oversight of CGS and has been instrumental in ensuring CGS is proactive in meeting industry requirements.

It is important to note that CUSIP's Issuer / Instrument identification system was born out of industry need. In July 1964, the New York Clearing House Association approached the ABA to develop a way to improve operating efficiencies across the industry by developing a standard method of identifying securities and their issuers. The Committee on Uniform Security Identification Procedures (CUSIP) was created to work on this issue.

This resulted in the establishment of the CUSIP system, and in 1968, the CUSIP Service Bureau was formed to administer the system. Over the years, the organization's core competencies in standards development, identification and data management, as well as strong relationships with industry stakeholders, positioned it as a catalyst for innovation. As coverage expanded to include new asset classes, their issuers, obligors and associated geographies, CGS emerged as the overarching entity for all CUSIP offerings.

History of CGS and Global Standards Development

CGS has been an ardent and vocal supporter and leader of standardization efforts for more than 3 decades, and has worked in close cooperation with our colleagues across the global capital markets on a myriad of successful ISO technical committees, working groups and task forces to effect meaningful change. Of particular note:

- CGS is a founding member of The Association of National Numbering Agencies ("ANNA"), which officially formed in 1991 with 22 country members and has now grown to more than 120 members and markets. As the organization's most prolific numbering agency, CGS has been a leader in ANNA's efforts to successfully act as the Registration Authority ("RA") for the ISIN cross-border instrument standard (ISO 6166).
- CGS was a leading force in the pre-ANNA ISIN Experts group, culminating in the first ISIN standard in 1978, has helped draft the International Guidelines for implementation of the standard (WG2), and today operates the ANNA Service Bureau ("ASB"), the only central hub of daily ISIN activity from all participating markets, on behalf of ANNA and global market participants. The ANNA database today contains more than 37 million ISINs and related data, and is made available on an uninterrupted basis to customers and National Numbering Agencies ("NNA's") worldwide on reasonable and non-discriminatory terms.
- Similarly, CGS has been a driving force in ANNA's successful bid to implement a related capital markets standard, the Classification of Financial Instruments Code (the "CFI", or ISO 10962) since 1997. CGS was the first global NNA to implement the CFI Product code to identify granular instrument-level attributes across borders in its local market in December, 1996, and today, CGS manages more than 33 million CFI identifiers for the global markets in the ASB database.

- CGS has also led the global effort to develop a standardized system to identify the descriptive data associated with a financial instrument and its issuer within a useable framework. The resulting ISO standard (ISO 18774 – Financial Instrument Short Name) and associated Abbreviation standard (ISO 18773) were finally approved in 2008, and draw in large part on the standard descriptive rules and abbreviations created by CUSIP and the American Bankers Association in the United States. CGS assists ANNA in acting as Registration Authority for these two standards as well, and their importance in the global capital markets is growing each year.

Key Concepts

CGS has proven, and will continue to prove, its commitment to helping regulators monitor cross-market and institution-specific activity. The following U.S. specific examples¹ illustrate ways in which CGS supports the use of CUSIP as the financial instrument identifier of choice for regulatory reporting purposes:

- List of “Section 13(f) securities” as defined by Rule 13f-1(c). It’s made available to the public pursuant to Section 13 (f) (3) of the Securities Exchange Act of 1934.
- MSRB rule 15c2-12 - an SEC rule governing the obligations of dealers regarding municipal securities disclosure under the Securities Exchange Act of 1934
- The SEC Investment Company Reporting Modernization (N-PORT) - RIN 3235-AL42.

CGS supports the proposed approach of using CUSIP as the identifier when reporting investments in Line 4i(1) Schedule of Assets Held for Investment and Line 4i(2) Schedule of Assets Disposed of During the Plan Year. We fully agree with and support the GAO assessment that the use of CUSIP is recognized by the financial industry as a way to improve end-users' ability to aggregate analyses of the information contained on the Schedules of Assets. Utilizing broadly accepted, universally recognized and successfully implemented standards like CUSIP, CIK and LEI to uniquely identify financial instruments and entities allows for interoperability while avoiding introducing unnecessary additional costs for financial service firms.

We recommend that the Agencies proceed with caution with respect to introducing the concept that Filers also be expected to provide any other uniform number applicable to the entity or asset being reported. There is mention of the Financial Instrument Global Identifier (FIGI) as a potential other uniform number, but we believe there is simply no reason to introduce a new identifier into the system, which would undoubtedly cause confusion and increased conversion costs.

I extracted for the Agencies convenience footnote 262 on page 89 of the recently finalized SEC rule² for the Investment Company Reporting Modernization (also referred to as N-PORT):

Another commenter urged the Commission not to mandate the use of certain unique identifiers for public and nonpublic funds, such as the Financial Instrumental Global Identifier (“FIGI”).²⁶²

²⁶² *See State Street Comment Letter asserting that there are few third-party providers who currently use such unique identifiers and concluding that requiring the usage of such unique identifiers would give those providers an unfair competitive advantage relative to the rest of the industry.*

Conclusion

A vast majority of global firms are already “connected” to and rely on the CUSIP system that optimally

¹ CUSIP also assigns the International Securities Identification Number (“ISIN”) for the US, Canada and 30+ other markets. Some international regulations require the ISIN to be provided when reporting to global Authorities and here too CUSIP has demonstrated a willingness to cooperate to help the global markets operate more efficiently.

² <https://www.sec.gov/rules/final/2016/33-10231.pdf>

meets the demands of the global capital markets. We believe using this internationally accepted and widely adopted standard minimizes time-to-market, investment costs, and most importantly, helps market participants realize significant cost-savings much earlier than other options.

CUSIP Global Services looks forward to continued industry dialogue on this development and can avail ourselves to any Agency personnel looking for further clarification or discussion on the topics mentioned above.

Respectfully submitted,

A handwritten signature in blue ink that reads "Scott Preiss". The signature is written in a cursive, flowing style.

Scott Preiss
Managing Director, Global Head
CUSIP Global Services
scott.preiss@cusip.com