

February 10, 2012

Australia Securities & Investment Commission

c/o Antonia Fong  
Market & Participant Supervision  
Australian Securities & Investments Commission  
Level 5, 100 Market Street  
Sydney NSW 2000  
facsimile: (02) 9911 2414  
email: [marketstructure@asic.gov.au](mailto:marketstructure@asic.gov.au)

Dear Sirs/ Mesdames:

**Re: ASIC Consultation Paper 168 Australian equity market structure: Further proposals (the “Paper”)**

In response to the Australian Securities & Investments Commission’s (ASIC) consultation paper on market integrity rules, the coalition of financial services firms and trade associations (the “Trade Associations”) have reviewed the paper with a view towards understanding ASIC’s planned approach on the identification of legal entities. The Trade Associations are pleased to note that ASIC’s paper recognizes the importance of developing a globally accepted legal entity identifier (LEI) and the progress made by the financial services industry and global regulators in developing a global LEI standard and solution. We strongly support ASIC’s “intention to work with industry towards implementing a solution for client identification in a manner that involves minimal change for market participants and leverages on the global LEI initiatives, where possible.” We are similarly encouraged by, and fully support the Financial Stability Board’s (FSB) process currently underway to develop a recommendation on a global LEI standard to be delivered to the G20 at their June 2012 summit and look forward to being actively involved in the process through the Industry Advisory Panel. Consistent with its G20 mandate, we are confident the FSB process will deliver the necessary recommendations, including corporate governance, in a timely manner to move the LEI solution forward in line with the public interest.

While we fully recognize that the FSB yet has to make recommendations on a global LEI standard and its implementation, we respectfully would like to draw your attention to the efforts of the Trade Associations which have made the following recommendations for the LEI Solution Providers, which were originally released in July 2011:

- Standards body – The International Organization for Standardization, i.e., ISO’s new standard, ISO 17442, is recommended for use as the new, authoritative legal entity identification standard.

- Core Issuing and Facilities Manager – The Depository Trust & Clearing Corporation (DTCC) and the Society for Worldwide Interbank Financial Telecommunications (SWIFT), along with DTCC’s wholly-owned subsidiary AVOX Limited, are recommended as key partners to operate the core LEI utility as the central point for data collection, data maintenance, LEI assignment, and quality assurance.
- Federated Registration – ANNA, through its network of local national numbering agencies (NNAs), is recommended as a key partner in the solution for registering, validating and maintaining LEIs for issuers, obligors, and other relevant parties in their home markets. The NNAs are envisioned to serve as the “face” of the LEI Utility to those markets while leveraging the functionality of the centralized LEI Utility for the assignment, further validation and global distribution of LEIs.

The Trade Associations have recently posted a test file of provisional legal entity identifiers on the SIFMA website (<http://www.sifma.org/legal-entity-identifier-test-file-download/>). The file contains provisional legal entity identifiers for over 2,600 entities that mirror the structure of the Draft ISO 17442 LEI Standard and the core data attributes prescribed by the draft ISO standard. The test file was developed by the industry’s recommended solution providers at the request of financial services firms that will have reporting obligations under recently enacted and pending regulations, and to assist their preparation to comply with mandates from the G20 for improved transparency around OTC derivatives activity.

The Trade Associations believe that the LEI standard, and the issuance capability and management solution recommended by the industry can be implemented and available for use before January 2013, such that Australia and other countries can meet their G-20 commitments. This date would accommodate the 12-18 months implementation timeframe proposed by ASIC for the reporting of client identifier and other “Category B” data. Hopefully, this timeframe and industry issuance capability will allow the ASIC to simply require the use of the global LEI standard in its final rule. We encourage the ASIC to continue to monitor progress of the LEI implementation in the coming months. We have included a summary of the background and status of the work the industry has been doing on the implementation of an LEI solution. ([http://www.gfma.org/uploadedfiles/initiatives/legal\\_entity\\_identifier\\_%28lei%29/lei-preliminary-scope-plan.pdf](http://www.gfma.org/uploadedfiles/initiatives/legal_entity_identifier_%28lei%29/lei-preliminary-scope-plan.pdf))

We appreciate the opportunity to comment on ASIC’s consultation paper and would be happy to answer any questions about the LEI requirements or recommendation put forth by the Trade Associations (<http://www.gfma.org/initiatives/legal-entity-identifier-%28lei%29/legal-entity-identifier-%28lei%29/>)

If you have any questions, please feel free to contact the coalition via the undersigned at 212-313-1260, or at [tprice@sifma.org](mailto:tprice@sifma.org).

On behalf of the coalition of financial services firms and trade associations we are,

Sincerely,

Tom Price  
Managing Director  
Securities Industry and Financial  
Markets Association

David Strongin  
Managing Director  
Securities Industry and Financial  
Markets Association