May 11, 2010

Ref.: CESR/10-292 **CESR Technical Advice to the European Commission in the Context of the MiFID Review – Transactions Reporting**

Re: EDM Council Opinion on Standards for Client and Counterparty Identifiers

On behalf of the Enterprise Data Management Council (EDM Council), I am writing to encourage CESR to endorse the use of the ISO 9362 Standard (BIC) for the identification of all counterparties in MiFID transactions reporting.

We acknowledge that CESR is on record as supporting the use of BICs to identify investment firms and central counterparties and we agree with your concern about BICs not being available for all legal entities.

Question 9: Over the past few months, the Council has been working with ISO, SWIFT, various regulatory bodies and financial institutions to verify legal entity identification requirements and address the shortcomings of the ISO standard. We are pleased to report that the ISO standard has been modified to allow for its extension and we are confident in the proposal from SWIFT (as the registration authority for ISO 9362) to clean up duplicates and eliminate the problem of BIC as both an entity ID and a network address. Their proactive approach will result in one unique identifier per legal entity for those that already have a BIC.

In addition, SWIFT has put forward a proposal to extend BIC to cover those legal entities that do not currently have identifiers (including issuing firms, entities acting as guarantors, selling firms (i.e. broker/dealers), buying firms (i.e. asset managers), clearing and settlement organizations, custodian and agent banks, payment system participants, distributors of financial products, exchanges and other trading system operators, collective investment vehicles acting as issuers, hedge funds and fund managers, partnerships, government bodies and supra-national organizations.

We believe this proposal, under the governance of ISO, will result in a unique identifier for all legal entities that can be used by global regulators and market authorities. As such, we would encourage CESR to endorse the use of BIC for MiFID transactions reporting of legal entities playing a role in any aspect of the financial issuance and transactions process as well as those that a financial institution must perform due diligence upon for regulatory reporting or risk management in any jurisdiction.

Question 12: If for some reason, BIC is not assigned to an entity, the attributes required for unique identification include: registered name, legal form, registered address, registered location and jurisdiction of registration.

Thank you for considering the views of the EDM Council on this important issue. If you have any questions regarding our views on entity identification, please contact me at (o) 301.933.2945 (m) 240.602.8390 (e) atkin@edmcouncil.org.

Very truly yours

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ENTERPRISE DATA MANAGEMENT
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