February 7, 2022

VIA ELECTRONIC SUBMISSION

Policy Division
Financial Crimes Enforcement Network
P.O. Box 39
Vienna, VA 22183

Re: FinCEN Notice of Proposed Rulemaking on Beneficial Ownership Information Reporting Requirements (Docket Number FINCEN–2021–0005, RIN 1506-AB49)

Dear Sir or Madam:

The Securities Industry and Financial Markets Association ("SIFMA")[1] appreciates the opportunity to comment on the notice of proposed rulemaking ("NPRM") issued by the Financial Crimes Enforcement Network ("FinCEN") to implement the beneficial ownership information reporting provisions of the Corporate Transparency Act ("CTA").[2]

On May 5, 2021, SIFMA submitted comments to FinCEN on the advance notice of proposed rulemaking ("ANPRM") soliciting public input on a broad range of questions related to implementation of these provisions. SIFMA and its member financial institutions commend FinCEN for engaging with private sector stakeholders as it considers how best to implement the CTA and appreciates FinCEN's consideration of our prior comments.

SIFMA strongly supports the objectives of the CTA to protect U.S. national security interests and the U.S. financial system and to better enable efforts to counter money laundering, terrorism financing, and other illicit activity by making it more difficult for malign actors to

[1] SIFMA is the leading trade association for broker-dealers, investment banks, and asset managers operating in the U.S. and global capital markets. On behalf of our industry's nearly one million employees, we advocate for legislation, regulation, and business policy affecting retail and institutional investors, equity and fixed income markets, and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. With offices in New York and Washington, D.C., SIFMA is the U.S. regional member of the Global Financial Markets Association (GFMA).

[2] *Beneficial Ownership Information Reporting Requirements*, 86 Fed. Reg. 69920 (proposed Dec. 8, 2021).

conceal their ownership of corporations, limited liability companies, and other similar entities in the United States. At the same time, as FinCEN finalizes the proposed rule, we encourage FinCEN to bear in mind Congress's instruction to reduce burdens on both financial institutions and reporting companies that are unnecessary or duplicative.

Below, we comment on certain elements of the proposed rule and areas where we believe clarification would be helpful. SIFMA wishes to highlight the following key themes:

- Greater clarity as to the key requirements of the beneficial ownership information ("BOI") reporting provisions and greater alignment of the provisions to the customer due diligence ("CDD") rule (including alignment in the implementation date for the new requirements) will be essential to minimize confusion, ease compliance burdens, and ensure there are no gaps in information collection.

- At the same time, the BOI reporting provisions and CDD requirements serve different purposes in our national anti-money laundering ("AML")/countering the financing of terrorism ("CFT") regime. Financial institutions appreciate the potential benefits that access to a robust BOI database could offer related to their efforts to identify and report illicit financial activity. To ensure full utilization of the database, we urge FinCEN to state expressly that (a) it does not expect financial institutions to take on responsibilities to maintain or verify information in the database (rather, financial institutions should be voluntary users of the database), and (b) the existence and use of the database will not "ratchet up" existing CDD rule requirements that apply to financial institutions and as to which firms have spent years to design compliance systems, processes, and controls.

- Although we support the exclusions that FinCEN has proposed from the database's requirements, we believe that the pooled investment vehicle ("PIV") exclusion should be clarified to give it proper scope and effect.

- To enhance the usefulness and effectiveness of the BOI database, FinCEN should ensure that the final rule requires that reported information be kept updated within appropriate timeframes, and that financial institutions can easily access the information.

I. Clarity of BOI Reporting Requirements and Alignment with the CDD Rule

As an initial matter, SIFMA is concerned about the breadth and the vagueness of a number of the BOI reporting requirements. SIFMA urges FinCEN to ensure that key reporting requirements of the BOI are clear and, wherever possible, consistent with those of the current CDD rule, as to which both reporting companies and financial institutions have significant experience.[3] SIFMA

[3] As stated in our ANPRM comment letter, SIFMA believes that consistency between key requirements of the BOI reporting provisions and the CDD rule will be necessary, particularly in terms of key definitions, to reduce confusion and ease compliance burdens for reporting companies that would otherwise be required to report one set of information to FinCEN and another to financial institutions in connection with their account relationships. In addition, such consistency would help to avoid

also urges clarification of the role of financial institutions vis-à-vis the BOI database and requests an express acknowledgement that financial institutions should be regarded exclusively as voluntary users of the database to meet their risk-based CDD and other AML requirements.

1. Beneficial Ownership

Principal examples of the breadth and vagueness issues in the NPRM arise in the proposed beneficial ownership definitions. FinCEN proposes to require the reporting of BOI for all individuals who, directly or indirectly, (1) exercise "substantial control" over a reporting company or (2) own or control at least 25% of the "ownership interests" of the reporting company.

FinCEN proposes to define "substantial control" for purposes of this requirement to include: (i) service as a senior officer of a reporting company, (ii) authority to appoint or remove any senior officer or a majority or "dominant minority" of the board of directors or similar body, (iii) direction, determination or decision of, or substantial influence over "important matters" affecting the reporting company,[4] or (iv) "[a]ny other form of substantial control over the reporting company." A number of these terms (*e.g.*, dominant minority, important matters) are qualitative and open to various interpretations; accordingly, it is unclear who meets these requirements and, if this definition is adopted as proposed, the result will be different reporting by different companies.

The proposed rule also defines the "direct or indirect exercise of substantial control" over a reporting company to include through board representation; ownership or control of a majority or "dominant minority" of voting shares; rights associated with any financing arrangement or interest in the company; control over one or more intermediary entities that separately or collectively exercise substantial control; or arrangements or financial or business relationships, whether formal or informal, with individuals or entities acting as nominees. Again, the scope of these terms is vague and will be highly challenging for reporting companies to operationalize (and for users of the database to obtain consistent information from reporting companies).

The lack of clarity extends to the proposed rule's definition of "ownership interest." That term includes, among other elements, (i) any equity, stock or similar instrument, certificate of interest or participation in any profit sharing agreement, preorganization certificate or subscription, voting trust certificate or certificate of deposit for an equity security, or interest in a joint venture, regardless of whether any such instrument is transferable, is classified as stock, or represents voting or non-voting shares; (ii) any instrument convertible into any of the foregoing instruments, any future on any such instrument, and any warrant or right to purchase, sell, or subscribe to such instrument, regardless of whether characterized as debt; and (iii) any put, call, straddle, or

potentially conflicting gaps in information collection that could otherwise arise, which will be necessary to ensure that the CTA's objectives are achieved and that the BOI database is effective.

[4] Such "important matters" include the nature, scope and attributes of the business of the reporting company, including transfers of principal assets or the selection or termination of business lines or geographic focus of the company; the reorganization, dissolution or merger of the reporting company; major expenditures or investments, issuances of equity, incurrences of significant debt or operating budget approvals; compensation schemes and incentive programs for senior officers; entry into or termination of significant contracts; and changes to substantial governance documents.

other option or privilege of buying or selling any of such instruments. The proposed rule provides that an individual may directly or indirectly own or control an "ownership interest" through various means, and proposes to require a reporting company to aggregate an individual's "ownership interests" in comparison to the undiluted ownership interests of the company in determining who its beneficial owners are.

Quite simply, these definitions are exceedingly complex, subjective, and are susceptible to varying interpretations, and depart dramatically from current CDD rule requirements. We question whether these departures, particularly as to terms like ownership interest, are necessary or warranted. Financial institutions took many years to update systems, procedures, and controls to implement the current CDD rule and to educate their customers about the requirements of that rule – thus, wherever possible, we believe that the BOI's definitions as to key terms like "ownership interest" and requirements should track to the CDD rule, as to which both reporting companies and financial institutions have familiarity.

In addition, financial institutions to date have borne the burden of educating customers on the CDD rule's requirements. They should not be asked to bear a similar burden with regard to the CTA, and there needs to be sufficient education for reporting companies on the persons who meet the reporting definitions. We believe it will be critical for FinCEN, in finalizing the BOI reporting rule, to clarify definitions, to provide examples explaining how they should be applied, and to provide robust and ongoing training for both reporting companies and financial institutions as to how they should interpret and implement these definitions.

2. Taxpayer Identification Numbers and Required Addresses

The proposed rule requires a reporting company to identify each of its beneficial owners and each company applicant by: (1) full legal name; (2) date of birth; (3) residential street address used for tax residency purposes;[5] and (4) a unique identifying number from a non-expired passport, driver's license or other state or local identification document. The proposed rule further specifies that a reporting company must provide an image of the identification document from which the identifying number is taken. The proposed rule permits, but does not require, the reporting of taxpayer identification numbers ("TINs") for beneficial owners and company applicants (subject to the prior consent of the relevant individuals as recorded on a form provided by FinCEN).

With respect to the reporting company itself, the proposed rule would require reporting of the company's name, any alternative names through which the company is engaging in business, its business street address, and its jurisdiction of formation or registration. The reporting

[5] Under the proposed rule, a reporting company must provide a business address for any company applicant who provides a business service as a corporate or formation agent and files a document in the course of such individual's business. For all other company applicants, reporting companies would need to report the company applicant's residential street address used for tax residency purposes.

company must also report its TIN or, if a TIN has not yet been issued, a Dun & Bradstreet number or legal entity identifier.

In contrast, the CDD rule requires a financial institution to identify and verify the identity of each beneficial owner identified by a legal entity customer and requires the financial institution's procedures for verifying beneficial owners to contain, "[a]t a minimum," the elements required for verifying the identity of customers that are individuals under FinCEN's customer identification program ("CIP") rules. The CIP rules, in turn, require that a financial institution obtain for each individual customer: name, date of birth, "residential or business street address," and, for a U.S. person, a TIN. For a customer that is a legal entity, the CIP rules require that a financial institution obtain the customer's name, an address that is a "principal place of business, local office or other physical location," and TIN.[6]

The proposed rule thus differs from existing CIP and CDD requirements with respect to the identifying number that would be reported for beneficial owners and company applicants and the address reporting requirements for both beneficial owners/company applicants and the reporting companies themselves.

We commented on the ANPRM, and continue to believe, that consistency in the reporting requirement is warranted. In particular, reporting a TIN for each beneficial owner or other individual for whom BOI reporting is required would be important to confirm the identity of the individual and may be helpful to FinCEN in ensuring it does not issue multiple FinCEN identifiers to the same individual. It also will be helpful to meet other goals of the CTA, such as identifying tax evasion.

The absence of TINs in the database is likely to create significant issues for users of the database (including financial institutions) and will minimize the BOI registry's usefulness. Financial institutions use TINs as unique identifiers in firm systems to identify relationships across accounts and to perform non-documentary verification. We urge FinCEN to include TIN collection in the registry as it will be helpful in confirming that a financial institution's client and a BOI entry are true identity matches.

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[6] The NPRM's proposed requirement that a reporting company provide a business street address is inconsistent with current requirements, described here, pursuant to which legal entities must provide financial institutions with a "principal place of business, local office or other physical location." *See*, *e.g.*, 31 CFR 1023.220(a)(2)(i)(A)(3)(iii) (CIP rule for broker-dealers). We believe in some cases foreign companies may register to do business in a state but not maintain a physical address in the United States. For such companies, compliance with the proposed requirement would not be possible, and we believe this may be an area where the proposed rule should be revised to conform to existing requirements. If FinCEN does not choose to take this approach, we urge FinCEN to retain the current flexibility in address reporting requirements for legal entities (*e.g.*, certain foreign customers) that may have accounts or relationships with U.S. financial institutions but not be subject to the BOI reporting requirements.

3. The Role of Financial Institutions and the CDD Rule

Finally, we believe it is important for FinCEN to recognize and expressly acknowledge that BOI reporting by companies directly to FinCEN for purposes of the BOI database and the CDD efforts of financial institutions serve different purposes. Financial institutions appreciate the opportunities that access to a robust BOI database could afford them in connection with their efforts to identify and report illicit financial activity. To ensure full utilization of the database, SIFMA believes it is important that FinCEN confirm the following points with regard to the role that financial institutions play vis-à-vis the database:

- Financial institutions should be allowed (but not required) to access the database on a voluntary basis if they choose to do so and may use information from the database for customer identification, CDD, investigatory, or other authorized uses.

- Financial institutions may rely on BOI collected by FinCEN (*i.e.*, may treat it as presumptively accurate), with no obligation to report discrepancies to FinCEN, unless warranted on a risk basis (in which case financial institutions' suspicious activity reporting obligations may apply). That is, financial institutions' role is that of users of the database, not verifiers of its accuracy, which obligation should rest with FinCEN or elsewhere. Additionally, discrepancies should not necessarily be triggering events that require financial institutions to collect additional information, close accounts, or take other actions with respect to the relevant customers. Again, financial institutions' risk-based AML policies and procedures should govern.

- Financial institutions should continue to implement risk-based compliance programs, including CDD processes that are calibrated to the specific risks of their businesses, and the existence of information in the BOI database should not give rise to any particular responsibility or expectation under the CDD rule, including as it is revised in the future. Put differently, because information about an entity is disclosed to FinCEN and a financial institution user of the database can access that information, the financial institution should not have to consider, review, or collect and safekeep all available information about a customer solely because it is available.

- The CDD rule should not be broadened because of information that may be collected as part of the BOI registry. Although, as discussed above, we believe that alignment between the two is warranted to avoid confusion and gaps, there also should be a recognition that a comprehensive federal database serves a different purpose than risk-based CDD and customer identification programs.

Fundamentally, SIFMA members have significant concerns that creation of the BOI database and the ability of financial institutions to access it will result in a "ratcheting up" of compliance expectations that are not aligned with their existing risk-based practices. We believe FinCEN should make clear, both in this rulemaking and subsequently when it revises the CDD rule, that financial institutions' regulatory obligations are not expected to increase as a result of the existence of the database and that such "ratcheting up" will not occur.

We think that such clarity is warranted because, under the international standards that the CTA cites in the sense of Congress, financial institutions' AML/CFT programs, including customer due diligence activities and suspicious transaction monitoring and reporting, are expected to be risk-based. It would be unduly burdensome and inconsistent with a risk-based approach for any revised CDD rule to require financial institutions categorically to collect (and retain) beneficial ownership information to the same extent as companies will be required to report in the first instance to the BOI database. Such a requirement would also serve no purpose, as U.S. intelligence, national security, law enforcement, and regulatory authorities will already have access to BOI through the FinCEN database – which will be more comprehensive than the information that a single financial institution could collect and available more efficiently through a single party (FinCEN).

II. Proposed Reporting Exceptions and Clarification of the Exception for PIVs

The CTA excludes various legal entities from the BOI reporting requirements, and FinCEN has proposed to incorporate these exclusions in the NPRM. Among other exclusions, FinCEN proposes to exclude from the BOI reporting requirements PIVs that are "operate[d] or advise[d]" by registered investment advisers ("RIAs") and other excluded financial institutions. The term "pooled investment vehicle" includes any company that would be an investment company but for the 3(c)(1) or 3(c)(7) exclusion under the Investment Company Act of 1940 *and* is identified by its legal name in the Form ADV of its RIA. SIFMA supports the exclusions FinCEN has proposed and urges clarification of the exception for PIVs.

In particular, as FinCEN finalizes the proposed rule, SIFMA urges FinCEN to state clearly that the exclusion for PIVs applies to all related entities within a PIV structure. For example, a fund may include a main PIV, which will be identified in the RIA's Form ADV and which will accept investors, as well as component parts that include acquisition vehicles formed below the PIV to make specific investments.

In drafting the CTA exemption for PIVs, Congress did not discriminate among the various entities within a PIV structure. Rather, the PIV exception was based on the recognition that RIAs and other managers of PIVs are regularly examined by federal regulators such as the Securities and Exchange Commission ("SEC") and make available a variety of data and information to those regulators. Accordingly, if law enforcement or others desire information about such advisers or the PIV structures (including any of their components) they manage, these authorities can readily obtain this information without needing to access the FinCEN database.

The purpose and aim of the CTA's exclusions from the BOI reporting requirements is to ensure that entities for which information is already available to law enforcement and regulatory authorities are not subjected to duplicative reporting requirements. To this end, Congress directed FinCEN, "to the greatest extent practicable" in implementing the CTA, to "collect information … through existing Federal, State, and local processes and procedures" rather than create new disclosure requirements.[7] This direction should apply with equal force to the PIV and

[7] 31 U.S.C. 5336(b)(1)(F).

its component parts, inclusive of all entities within a PIV structure. Information as to all of these component entities is available to the same extent and in the same manner as with respect to the main PIV.

To fulfill Congress's intent, we urge FinCEN to confirm the scope of the PIV exemption. FinCEN could do so by clearly stating in the rule text the exclusion's applicability to all entities – such as special purpose vehicles – within a PIV structure. A contrary view would be needlessly burdensome for PIV sponsors, while contributing nothing to the registry's aim of obtaining BOI that otherwise would be unavailable to the federal government. Any such reporting of entities within a PIV would neither serve the public interest nor provide highly useful information for U.S. national security, intelligence, or law enforcement efforts that is not already available, and we urge FinCEN to avoid this result by ensuring there is no confusion as to the scope of the PIV exclusion.

III. Scope of, Reliability of, Access to, and Use of the FinCEN Database

We address in this section FinCEN's proposed requirements related to reporting companies and trust ownership interests, the proposed timeframes for certain filings, and aspects of the "form and manner" to be prescribed by FinCEN for compliance with the BOI reporting requirements.

1. Reporting Companies and Trust Ownership Interests

The CTA defines the term "reporting company" to mean "a corporation, limited liability company, or other similar entity" that is created through a filing with a secretary of state or a similar office under the laws of a state or Indian Tribe or that is formed under the law of a foreign country and registered to do business in the United States through a filing with a secretary of state or a similar office under the laws of a state or Indian Tribe.

FinCEN proposes to interpret the terms "corporation" and "limited liability company" by reference to the applicable law of the jurisdiction in which a reporting company that is a corporation or limited liability company is formed. FinCEN also proposes to interpret the phrase "other similar entity" to refer to an entity created through the filing of a document with a secretary of state or similar office.

SIFMA commented in response to the ANPRM that the phrase "other similar entity" should encompass all entities created through filings with secretaries of state or other state offices (including, for example, general partnerships and business trusts created through such filings), and we appreciate FinCEN's consideration of our comments in this regard.

Though we understand that most trusts are not created through such filings, and therefore will not be captured as reporting companies under the proposed rule, we note FinCEN's proposal to include ownership interests held through trusts within the "beneficial owner" reporting requirements. In particular, the proposed rule indicates that an individual may own or control an ownership interest in a reporting company through a trust, including as a trustee or other individual with the authority to dispose of trust assets; as a beneficiary who is the sole permissible recipient of the trust's assets or has the right to demand a distribution or withdrawal

of substantially all of the trust's assets; or as a grantor or settlor who has the right to revoke the trust or withdraw assets. We believe this provision is important to ensure that robust BOI is reported to FinCEN and would enhance the utility of the database for authorized users.

At the same time, with respect to a covered financial institution that serves as a corporate trustee of a trust that is a beneficial owner of a reporting company, we urge FinCEN to clarify in the final rule that the financial institution, acting in its corporate capacity, controls the ownership interest and therefore there is no reportable individual under proposed 31 CFR 1010.380(d)(ii)(C)(1). That section provides that an individual may own or control an ownership interest in a reporting company through a trust or similar arrangement if, among other capacities, the individual serves "[a]s a trustee … or [otherwise has] the authority to dispose of trust assets."

With respect to a corporate trustee that is a covered financial institution, the financial institution should not be required to designate an employee as the trustee for BOI reporting purposes, nor should that employee be mandated to submit personal identifying information to the registry as a control person of an interest held by a trust for which his or her employer is the trustee. As our proposed clarification limits this interpretation to covered financial institutions acting in their corporate capacities, we believe it does not adversely affect the objectives of the CTA to make it more difficult for illicit actors to conceal their ownership of entities conducting business in the United States. Additionally, staff turnover, potential employment-related issues, and the goal of maintaining a database with up-to-date and accurate information all support our requested clarification.

2. Timeframes for Certain Filings

FinCEN proposes in the NPRM to require a reporting company to file an initial BOI report "within 14 calendar days of the date it was formed as specified by a secretary of state or similar office" or "within 14 calendar days of the date it first becomes a foreign reporting company."[8] In addition, FinCEN proposes to require reporting companies to file updates to any previously reported information within 30 calendar days after the information has changed and to correct any inaccurate information within 14 calendar days after the date when the reporting company becomes aware or has reason to know that any required information contained in a report filed with FinCEN was inaccurate when filed and remains inaccurate.[9]

To balance the congressional directive to minimize burdens to reporting companies and financial institutions with the need to ensure the BOI database is accurate and up to date, we offer the following comments regarding the proposed reporting timeframes:

- First, FinCEN should provide guidance to clarify that initial reporting requirements are triggered by a reporting company's receipt of any approval or confirmation that may be required under the law of the applicable state or Indian Tribe to finalize the company's

[8] Proposed 31 CFR 1010.380(a)(1).

[9] Proposed 31 CFR 1010.380(a)(2), (3).

creation or registration to do business. In other words, the filing of formation documents or documents to register a company to do business with a secretary of state or similar office in a state or Indian Tribe would not trigger the BOI reporting requirements unless, under the law of the applicable jurisdiction, such filing is deemed to be immediately effective.

- Second, we believe a 14-day period is likely too short for reporting in many instances given the volume of information to be reported to the database and the complexity of the proposed definitions, and we urge FinCEN to consider aligning all of the proposed timeframes to require reporting within 30 calendar days. SIFMA commented in response to the ANPRM that reporting companies should be required to update FinCEN promptly for changes to the information supplied to the database to ensure its continued accuracy. We believe a 30-day timeframe would still support this goal while balancing the undue burden to reporting companies of a tighter timeframe. We also note that a consistent time period applied across all reporting requirements could help to streamline and facilitate compliance processes.

- Third, we urge FinCEN to provide guidance to clarify, with respect to any CDD obligation for financial institutions as to reporting companies, that required information for newly formed or newly registered reporting companies may be obtained within a reasonable period of time after an account is opened. FinCEN's CIP rules provide that a financial institution may obtain a customer's TIN within a reasonable period of time after an account is opened if the customer has applied for, but not received, a TIN at the time of account opening.[10] We believe a similar approach to BOI for a newly formed or newly registered reporting company will be critical to ensuring the BOI and CDD rules are coordinated to minimize burdens to reporting companies.

3. Form and Manner of Filings

FinCEN proposes to require each person filing a BOI report with FinCEN to certify that the report is accurate and complete. SIFMA supports this proposed requirement and urges FinCEN to include it in the final rule. As noted in our comment letter on the ANPRM, information in the BOI database will need to be accurate and up to date to achieve the CTA's objective that it be "highly useful" to authorized users. Certification of the accuracy and completeness of reports submitted to FinCEN will help to achieve this result by enhancing the reliability of the information in the database, and will thereby facilitate use of and reliance on the database.

SIFMA acknowledges that FinCEN plans to address access to and disclosure of the BOI database in a separate rulemaking. To the extent FinCEN plans to address the "form and manner" of filing of BOI reports further in the context of finalizing the current NPRM, SIFMA believes FinCEN should address how reporting companies may authorize access to the BOI in

[10] *See*, *e.g.*, 31 CFR 1023.220(a)(2)(i)(B) (customer identification rule for broker-dealers).

their reports. As stated in SIFMA's comment letter to the ANPRM, SIFMA believes FinCEN should allow reporting companies to pre-authorize database access.

Pre-authorization will be necessary to facilitate the effective and efficient use of the database for financial institutions that wish to access it. An expectation that a financial institution obtain specific approval from a reporting company each time the institution wishes to access the company's reported information would frustrate the purpose of using the database, and the financial institution would likely request the information from the company itself rather than using the database. This would be unnecessarily burdensome to the reporting company. Further, to the extent a financial institution may access the BOI database in connection with its suspicious activity monitoring and reporting activities and chooses to do so, having to request access from a reporting company could compromise the financial institution's investigative activities with respect to that company.

Related to the pre-authorization point, as FinCEN considers the forthcoming proposed rulemakings, SIFMA encourages FinCEN to provide for a reporting company's updates to be reported out to database users that previously accessed the company's information and elect to receive updates and, as noted above, to make clear that financial institution users can rely on information obtained from the database. Such measures will be necessary to enhance the utility of the BOI database for all authorized users.

IV. Effective Date

For the reasons we describe in Section I above related to mitigating compliance burdens and minimizing confusion, SIFMA respectfully requests that implementation of the BOI reporting requirements be delayed to take effect once FinCEN has revised the CDD rule, such that implementation will commence for both rules on the same date. Otherwise, reporting companies would be subject to compliance with the BOI rule for a period of time during which financial institutions would be seeking to collect from them potentially different data elements, under different definitions. Further, as FinCEN proposes rules to implement the CTA's protocols for access to and disclosure of BOI and to revise the CDD rule, additional questions and comments are likely to arise as to the BOI reporting provisions. SIFMA urges FinCEN to ensure that mechanisms are available for interested stakeholders to ask questions and seek clarifications, and for appropriate guidance to be issued, so that the complementary rulemakings are coordinated and work together as intended. An alternative outcome could be burdensome for reporting companies and limit the effectiveness of the BOI database, which would be contrary to the objectives of the CTA.

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SIFMA appreciates your consideration of our comments on this important rulemaking and looks forward to engaging with FinCEN further on the implementation of the CTA. Please feel free to contact the undersigned at 202-962-7300 or SIFMA's counsel on this matter, Satish M. Kini and Justice Walters, at Debevoise & Plimpton at 202- 383-8000 with any questions.

Respectfully submitted,

Bernard V. Canepa

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