

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 26		SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4		File No. * SR 2025 - * 009 Amendment No. (req. for Amendments *)	
Filing by The Depository Trust Company Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934					
Initial * <input checked="" type="checkbox"/>		Amendment * <input type="checkbox"/>		Withdrawal <input type="checkbox"/>	
Section 19(b)(2) * <input type="checkbox"/>		Section 19(b)(3)(A) * <input checked="" type="checkbox"/>		Section 19(b)(3)(B) * <input type="checkbox"/>	
Pilot <input type="checkbox"/>		Extension of Time Period for Commission Action * <input type="checkbox"/>		Date Expires * <input type="text"/>	
		Rule			
		<input type="checkbox"/> 19b-4(f)(1)		<input checked="" type="checkbox"/> 19b-4(f)(4)	
		<input type="checkbox"/> 19b-4(f)(2)		<input type="checkbox"/> 19b-4(f)(5)	
		<input type="checkbox"/> 19b-4(f)(3)		<input type="checkbox"/> 19b-4(f)(6)	
Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010 Section 806(e)(1) * <input type="checkbox"/>			Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 Section 3C(b)(2) * <input type="checkbox"/>		
Exhibit 2 Sent As Paper Document <input type="checkbox"/>			Exhibit 3 Sent As Paper Document <input type="checkbox"/>		
Description Provide a brief description of the action (limit 250 characters, required when Initial is checked *). <div>Amend the Rules Relating to the Legal Entity Identifier Requirement</div>					
Contact Information Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action. First Name * <div></div> Last Name * <div></div> Title * <div></div> E-mail * <div>RuleFilingAdmin@dtcc.com</div> Telephone * <div></div> Fax <div></div>					
Signature Pursuant to the requirements of the Securities Exchange of 1934, The Depository Trust Company has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized. Date <div>04/25/2025</div> By <div></div> <div>(Name *)</div> <div></div> <div>(Title *)</div> <div></div> NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed. <div>Date: 2025.04.25 13:54:00 -04'00'</div>					

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EDFS website.

Form 19b-4 Information *

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Narrative (DTC) - LEI Requirement - I

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

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Exhibit 1A (DTC) - LEI Requirement -

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies *

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Exhibit 2- Notices, Written Comments, Transcripts, Other Communications

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Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

☐

Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

☐

Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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Exhibit 5 (DTC) - LEI Requirement - Fi

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

(a) The proposed rule change of The Depository Trust Company (“DTC”)¹ as provided in Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by the Enterprise Services Committee of DTC’s Board of Directors on October 22, 2024.

3. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

The purpose of the proposed rule change is to amend the Rules in order to require (i) each applicant applying to become a Participant, Pledgee, DRS Agent or FAST Agent to obtain and provide a Legal Entity Identifier (“LEI”) to DTC as part of its membership application, (ii) each Participant, Pledgee, DRS Agent and FAST Agent to have a current LEI on file with DTC at all times, and (iii) CDS Clearing and Depository Services Inc. (“CDS”) to provide DTC with an LEI for each current participant of CDS (“CDS Participant”) for which CDS maintains a subaccount at DTC and for each newly added CDS Participant going forward.²

Background

LEI Background

An LEI is a 20-character reference code to uniquely identify legally distinct entities that engage in financial transactions.³ The LEI system was developed by the Financial Stability

¹ Terms not defined herein are defined in the Rules, By-Laws and Organization Certificate of DTC (the “Rules”), available at www.dtcc.com/legal/rules-and-procedures.

² CDS, the Canadian central securities depository and central counterparty, is a Participant of DTC. The relationship between DTC and CDS enables CDS Participants to settle trades with DTC Participants through sub-accounts at DTC maintained by CDS on behalf of CDS Participants. DTC provides the Canadian-Link Service for the settlement of securities among DTC Participants and CDS Participants. See Rule 30, *supra* note 1.

³ See www.gleif.org/en/about-lei/introducing-the-legal-entity-identifier-lei. The LEI is based on the ISO 17442 standard developed by the International Organization for Standardization and satisfies the standards implemented by the Global Legal Entity

Board⁴ together with finance ministers and central bank governors represented in the Group of 20 in the wake of the 2008 financial crisis.⁵ The Financial Stability Board established GLEIF in June 2014 to support the implementation and use of LEIs.⁶ The Regulatory Oversight Committee (“ROC”), a group of public authorities from around the globe, oversees GLEIF and the global LEI system.⁷

LEIs are issued by entities called Local Operating Units (“LOUs”) that are accredited by GLEIF to issue LEIs within certain jurisdictions.⁸ LOUs validate information about an entity and issue a unique LEI for that entity. An LEI provides information about legal entities, including the official legal name, registered address, country of incorporation, registration authority and the entities’ ownership structure, including parent and child organizations.

Adding the LEI Requirement for DTC

DTC’s parent entity, The Depository Trust & Clearing Corporation (“DTCC”),⁹ provides technology resources and support services to DTC and DTCC’s other subsidiaries, including providing support for onboarding, lifecycle management and risk management of the subsidiaries’ applicants and participants. Certain of DTCC’s subsidiaries currently require that its applicants and participants obtain and provide an LEI. However, this requirement is not consistent across DTCC’s other subsidiaries, including DTC.

DTC is proposing to add a requirement that its applicants and participants obtain and provide an LEI to DTC similar to the requirement currently in place for its affiliate, FICC, which

Identifier Foundation (“GLEIF”). See www.gleif.org/en/about-lei/introducing-the-legal-entity-identifier-lei.

⁴ The Financial Stability Board is an international body that monitors and makes recommendations about the global financial system. See www.fsb.org.

⁵ See www.gleif.org/en/about/history.

⁶ See *supra* note 3. See also www.gleif.org/en/about/this-is-gleif.

⁷ The ROC is a group of public authorities from around the globe established in January 2013 to coordinate and oversee the global LEI system. See www.gleif.org/en/about/governance/regulatory-oversight-committee-roc.

⁸ See www.gleif.org/en/about-lei/get-an-lei-find-lei-issuing-organizations.

⁹ DTCC is a non-public holding company that owns three registered clearing agencies and related businesses. In addition to DTC, DTCC also owns the following registered clearing agencies: National Securities Clearing Corporation (“NSCC”) and the Fixed Income Clearing Corporation (“FICC”). FICC has two divisions: the Government Securities Division and the Mortgage-Backed Securities Division.

requires LEIs for members of its Government Securities Division.¹⁰ DTC believes that requiring that its applicants and participants obtain and provide an LEI to DTC would improve the quality of data that is collected from its participants as well as the process for collecting that data, including providing the following benefits:

- **Simplify Operational Processes** – LEIs would help simplify and expedite due diligence and know your customer (“KYC”) verification of participants enabling DTC to do business with participants faster and safer.
- **Enhance Risk Management** – LEIs provide information about counterparty relationships and hierarchies within and between financial entities, improving counterparty risk assessment and management.
- **Leverage Existing Capabilities** – The use of LEIs would allow DTC to leverage existing DTCC technology and data to create automatic upfront validations to support participant onboarding and lifecycle management for DTC and DTCC’s other subsidiaries.
- **Reliable Data Source** – The LEI system is supported by a trusted method of verifying the identity of the legal entity in question and would provide a reliable data source. This is supported by the LOUs maintenance of all respective reference and identification data and the overall global LEI system which is coordinated and overseen by ROC.
- **Reduction in Record Duplication** – The use of LEIs would reduce overlap and duplication of data within databases, helps streamline data reconciliations and reduce data errors by decreasing the requirements for manual comparison of different databases.

Implementing an LEI requirement is also intended to improve DTCC’s ability to manage data across its subsidiaries, including DTC. Many participants are shared among DTC and its affiliates. Currently, there is no consistent requirement for submission of an industry identifier by DTC and DTCC’s other subsidiaries. This has impacted DTCC’s ability to profile its subsidiaries’ participants quickly and efficiently across all the subsidiaries’ products and services. DTCC’s other subsidiaries are also implementing an LEI requirement consistent with the LEI requirements being proposed for DTC.

Member Impact

¹⁰ FICC implemented LEI requirements for its Government Securities Division in compliance with a rule adopted by the Office of Financial Research of the U.S. Department of Treasury establishing a data collection requirement covering centrally cleared transactions in the U.S. repurchase market. See Securities Exchange Act Release No. 88557 (Apr. 3, 2020), 85 FR 19979 (Apr. 9, 2020) (SR-FICC-2020-002).

Based on an analysis by DTC, approximately 89% of Participants, 71% of Pledgees, 46% of DRS Agents, and 100% of CDS Participants currently have an LEI. Adding the LEI requirement would require the DTC participants that have not obtained an LEI to select an LOU,¹¹ apply for an LEI, and once obtained provide the LEI to DTC. In addition, CDS would be required to obtain LEIs from CDS Participants. The DTC participants and CDS Participants would also need to renew the LEI periodically. The expense of obtaining and renewing an LEI is minimal, and it can usually be obtained within a few days once the entity provides the necessary information to the LOU.¹²

Failure to adhere to the LEI requirement could result in a fine in accordance with the Rules.¹³

Rule Changes

LEI Requirement

In order to add the requirement that participants obtain and provide an LEI, DTC is proposing to make the following changes.

(i) Defined Term

DTC would add a new defined term, LEI, to Rule 1. DTC would use the terminology of the GLEIF for the definition.¹⁴

(ii) Applicants, Participants and Pledgees

DTC would add a new Section 12 to Rule 2 to require (i) each DTC applicant to obtain and provide an LEI to DTC as part of its membership application and (ii) each Participant, Pledgee, DRS Agent and FAST Agent to always have a current LEI on file with DTC. DTC is proposing to add a footnote in that section which states such Participants, Pledgees, DRS Agents and FAST Agents shall have 60 calendar days from the date they are notified by Important Notice to submit their LEIs. The footnote would provide that it would sunset at the end of the 60-calendar day period.

¹¹ Only entities that are accredited by GLEIF may issue LEIs. A list of accredited LOUs can be found on the GLEIF website: www.gleif.org/en/about-lei/get-an-lei-find-lei-issuing-organizations.

¹² Based on a review by DTCC, the average cost for registering a new LEI is approximately \$71, the average cost for maintenance is approximately \$62, and the application processing time is typically 24-48 business hours.

¹³ See Rule 21, *supra* note 1 (provides that DTC may discipline any Participant or Pledgee for violations of the Rules, including but not limited to a fine).

¹⁴ See *supra* note 3.

(iii) *CDS Participants*

DTC would add a new Section 11 to Rule 30 to require that CDS provide DTC with an LEI for each CDS Participant for which CDS opens and maintains a subaccount at the Corporation such that the Corporation shall have a current LEI for each such CDS Participant at all times. DTC is proposing to add a footnote in that section which states that CDS shall have 60 calendar days from the date that CDS is notified by Important Notice to submit LEIs for each of the CDS Participants. The footnote would provide that it would sunset at the end of the 60-calendar day period.

Implementation Timeframe

DTCC is determining a framework relating to the adoption of the selected LEI option across all DTCC subsidiaries and product lines, including an approach to managing the implementation of the LEI requirement for both existing and new clients of DTC. DTC would provide notice to existing Participants, Pledgees, DRS Agents, FAST Agents and CDS, including by Important Notice, advising them of the LEI requirements for DTC and notifying them of the dates by which they are expected to have obtained and provided an LEI to DTC. DTC would give Participants, Pledgees, DRS Agents, FAST Agents and CDS that do not currently have the requisite LEIs, 60-calendar days from the date of the notice to obtain and provide the requisite LEIs to DTC. DTC considers 60-calendar days to be sufficient for obtaining an LEI, as it can typically be acquired within a few days once the entity provides the necessary entity information to the LOU.

(c) Statutory Basis

Section 17A(b)(3)(F) of the Securities Exchange Act of 1934 (“Act”), requires, that the Rules be designed to, among other things, promote the prompt and accurate clearance and settlement of securities transactions.¹⁵

DTC believes that the proposed changes to add an LEI requirement are consistent with this provision because the proposed revisions would improve the quality of data that is collected from DTC’s participants as well as the process for collecting that data including (i) simplifying and expediting certain operational processes, including due diligence and KYC, by utilizing an efficient and accurate method to verify identity of DTC participants, (ii) enhancing counterparty risk assessment and management of DTC participants by improving information about counterparty relationships and hierarchies within and between DTC participants, (iii) creating efficiencies relating to onboarding and lifecycle management for DTC and DTCC’s other subsidiaries that share participants, (iv) obtaining reliable data from the standardized global LEI system, a dependable source of verified data, and (v) reducing overlap and duplication of data within databases and helping to streamline data reconciliations and reduce data errors. DTC believes that creating efficiencies in operational processes, onboarding and lifecycle management and improving risk management by improving the quality of verified data that is collected from DTC’s participants as well as the process for collecting that data would promote

¹⁵ 15 U.S.C. 78q-1(b)(3)(F).

the prompt and accurate clearance and settlement of securities transactions by DTC. As such, DTC believes the proposed rule changes are consistent with Section 17A(b)(3)(F) of the Act.¹⁶

4. Self-Regulatory Organization's Statement on Burden on Competition

DTC believes that the proposed changes to add an LEI requirement could impose a burden on competition because these changes would impose a cost on firms that currently do not have an LEI to obtain and maintain them. DTC does not believe that any burden on competition imposed by the proposed rule change would be significant because the cost to obtain and maintain an LEI is relatively small,¹⁷ and DTC understands that many of its participants already maintain LEIs for other purposes. Regardless of whether the potential burden on competition is deemed significant, DTC believes the proposed rule change is both necessary and appropriate in furtherance of the purposes of the Act. Specifically, DTC believes that any burden on competition that is created by the proposed changes would be necessary in furtherance of the purposes of the Act¹⁸ because creating efficiencies in operational processes, onboarding and lifecycle management and improving risk management by improving the quality of verified data that is collected from DTC's participants as well as the process for collecting that data would promote the prompt and accurate clearance and settlement of securities transactions by DTC. DTC also believes that any burden that is created by the proposed rule change would be appropriate in furtherance of the purposes of the Act¹⁹ because the proposed changes would be limited to requiring an LEI that is easily obtained through the established global LEI system at a relatively minor cost.

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

DTC has not received or solicited any written comments relating to this proposal. If any written comments are received, they will be publicly filed as an Exhibit 2 to this filing, as required by Form 19b-4 and the General Instructions thereto.

Persons submitting comments are cautioned that, according to Section IV (Solicitation of Comments) of the Exhibit 1A in the General Instructions to Form 19b-4, the Securities and Exchange Commission ("Commission") does not edit personal identifying information from comment submissions. Commenters should submit only information that they wish to make available publicly, including their name, email address, and any other identifying information.

All prospective commenters should follow the Commission's instructions on *How To Submit a Comment*, available at www.sec.gov/rules-regulations/how-submit-comment. General

¹⁶ Id.

¹⁷ As noted above, based on a review by DTCC, the average cost for registering a new LEI is approximately \$71 and the average cost for maintenance is approximately \$62.

¹⁸ 15 U.S.C. 78q-1(b)(3)(I).

¹⁹ Id.

questions regarding the rule filing process or logistical questions regarding this filing should be directed to the Main Office of the Commission's Division of Trading and Markets at tradingandmarkets@sec.gov or 202-551-5777.

DTC reserves the right not to respond to any comments received.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

(a) The proposed rule changes are to take effect immediately upon filing pursuant to paragraph A of Section 19(b)(3)²⁰ of the Act and subparagraph (f)(4)²¹ of Rule 19b-4 under the Act.

(b) The proposed rule change constitutes a change of an existing service of a registered clearing agency that (i) does not adversely affect the safeguarding of securities or funds in the custody or control of the clearing agency or for which it is responsible and (ii) does not significantly affect the respective rights or obligations of the clearing agency or persons using the service because the proposed changes would be limited to requiring an LEI that is easily obtained through the established global LEI system at a relatively minor cost. The addition of the LEI requirement would enhance DTC's ability to retrieve and process data relating to its participants at a relatively minor cost to its participants.²²

(c) Not applicable.

(d) Not applicable.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

While the proposal is not based on the rules of another self-regulatory organization or of the Commission, DTC affiliates, NSCC and FICC, have each filed similar proposals concurrently with this filing to adopt comparable rule changes.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

²⁰ 15 U.S.C 78s(b)(3)(A).

²¹ 17 CFR 240.19b-4(f)(4).

²² Id.

10. Advance Notice Filed Pursuant to Section 806(e) of the Payment, Clearing, and Settlement Supervision Act of 2010

Not applicable.

11. Exhibits

Exhibit 1 – Not applicable.

Exhibit 1A – Notice of proposed rule change for publication in the Federal Register.

Exhibit 2 – Not applicable.

Exhibit 3 – Not applicable.

Exhibit 4 – Not applicable.

Exhibit 5 – Proposed changes to the Rules.

EXHIBIT 1A

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-[____]; File No. SR-DTC-2025-009)

[DATE]

Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend the Rules Relating to the Legal Entity Identifier Requirement

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on April __, 2025, The Depository Trust Company (“DTC”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared by the clearing agency. DTC filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act³ and Rule 19b-4(f)(4) thereunder.⁴ The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency’s Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change consists of amendments to the Rules in order to require (i) each applicant applying to become a Participant, Pledgee, DRS Agent or FAST Agent to obtain and provide a Legal Entity Identifier (“LEI”) to DTC as part of its membership application, (ii) each Participant, Pledgee, DRS Agent and FAST Agent to have a current

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(4).

LEI on file with DTC at all times, and (iii) CDS Clearing and Depository Services Inc. (“CDS”) to provide DTC with an LEI for each current participant of CDS (“CDS Participant”) for which CDS maintains a subaccount at DTC and for each newly added CDS Participant going forward.^{5 6}

II. Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the clearing agency included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The clearing agency has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

(A) Clearing Agency’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to amend the Rules in order to require (i) each applicant applying to become a Participant, Pledgee, DRS Agent or FAST Agent to obtain and provide an LEI to DTC as part of its membership application, (ii) each

⁵ CDS, the Canadian central securities depository and central counterparty, is a Participant of DTC. The relationship between DTC and CDS enables CDS Participants to settle trades with DTC Participants through sub-accounts at DTC maintained by CDS on behalf of CDS Participants. DTC provides the Canadian-Link Service for the settlement of securities among DTC Participants and CDS Participants. See Rule 30, infra note 6.

⁶ Terms not defined herein are defined in the Rules, By-Laws and Organization Certificate of DTC (the “Rules”), available at www.dtcc.com/legal/rules-and-procedures.

Participant, Pledgee, DRS Agent and FAST Agent to have a current LEI on file with DTC at all times, and (iii) CDS to provide DTC with an LEI for each current CDS Participant for which CDS maintains a subaccount at DTC and for each newly added CDS Participant going forward.⁷

Background

LEI Background

An LEI is a 20-character reference code to uniquely identify legally distinct entities that engage in financial transactions.⁸ The LEI system was developed by the Financial Stability Board⁹ together with finance ministers and central bank governors represented in the Group of 20 in the wake of the 2008 financial crisis.¹⁰ The Financial Stability Board established GLEIF in June 2014 to support the implementation and use of LEIs.¹¹ The Regulatory Oversight Committee (“ROC”), a group of public authorities from around the globe, oversees GLEIF and the global LEI system.¹²

⁷ Supra note 5.

⁸ See www.gleif.org/en/about-lei/introducing-the-legal-entity-identifier-lei. The LEI is based on the ISO 17442 standard developed by the International Organization for Standardization and satisfies the standards implemented by the Global Legal Entity Identifier Foundation (“GLEIF”). See www.gleif.org/en/about-lei/introducing-the-legal-entity-identifier-lei.

⁹ The Financial Stability Board is an international body that monitors and makes recommendations about the global financial system. See www.fsb.org.

¹⁰ See www.gleif.org/en/about/history.

¹¹ See supra note 8. See also www.gleif.org/en/about/this-is-gleif.

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LEIs are issued by entities called Local Operating Units (“LOUs”) that are accredited by GLEIF to issue LEIs within certain jurisdictions.¹³ LOUs validate information about an entity and issue a unique LEI for that entity. An LEI provides information about legal entities, including the official legal name, registered address, country of incorporation, registration authority and the entities’ ownership structure, including parent and child organizations.

Adding the LEI Requirement for DTC

DTC’s parent entity, The Depository Trust & Clearing Corporation (“DTCC”),¹⁴ provides technology resources and support services to DTC and DTCC’s other subsidiaries, including providing support for onboarding, lifecycle management and risk management of the subsidiaries’ applicants and participants. Certain of DTCC’s subsidiaries currently require that its applicants and participants obtain and provide an LEI. However, this requirement is not consistent across DTCC’s other subsidiaries, including DTC.

DTC is proposing to add a requirement that its applicants and participants obtain and provide an LEI to DTC similar to the requirement currently in place for its affiliate, FICC, which requires LEIs for members of its Government Securities Division.¹⁵ DTC

¹³ See www.gleif.org/en/about-lei/get-an-lei-find-lei-issuing-organizations.

¹⁴ DTCC is a non-public holding company that owns three registered clearing agencies and related businesses. In addition to DTC, DTCC also owns the following registered clearing agencies: National Securities Clearing Corporation and the Fixed Income Clearing Corporation (“FICC”). FICC has two divisions: the Government Securities Division and the Mortgage-Backed Securities Division.

¹⁵ FICC implemented LEI requirements for its Government Securities Division in compliance with a rule adopted by the Office of Financial Research of the U.S. Department of Treasury establishing a data collection requirement covering

believes that requiring that its applicants and participants obtain and provide an LEI to DTC would improve the quality of data that is collected from its participants as well as the process for collecting that data, including providing the following benefits:

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- Enhance Risk Management – LEIs provide information about counterparty relationships and hierarchies within and between financial entities, improving counterparty risk assessment and management.
- Leverage Existing Capabilities – The use of LEIs would allow DTC to leverage existing DTCC technology and data to create automatic upfront validations to support participant onboarding and lifecycle management for DTC and DTCC’s other subsidiaries.
- Reliable Data Source – The LEI system is supported by a trusted method of verifying the identity of the legal entity in question and would provide a reliable data source. This is supported by the LOUs maintenance of all respective reference and identification data and the overall global LEI system which is coordinated and overseen by ROC.
- Reduction in Record Duplication – The use of LEIs would reduce overlap and duplication of data within databases, helps streamline data reconciliations and

centrally cleared transactions in the U.S. repurchase market. See Securities Exchange Act Release No. 88557 (Apr. 3, 2020), 85 FR 19979 (Apr. 9, 2020) (SR-FICC-2020-002).

reduce data errors by decreasing the requirements for manual comparison of different databases.

Implementing an LEI requirement is also intended to improve DTCC's ability to manage data across its subsidiaries, including DTC. Many participants are shared among DTC and its affiliates. Currently, there is no consistent requirement for submission of an industry identifier by DTC and DTCC's other subsidiaries. This has impacted DTCC's ability to profile its subsidiaries' participants quickly and efficiently across all the subsidiaries' products and services. DTCC's other subsidiaries are also implementing an LEI requirement consistent with the LEI requirements being proposed for DTC.

Member Impact

Based on an analysis by DTC, approximately 89% of Participants, 71% of Pledgees, 46% of DRS Agents, and 100% of CDS Participants currently have an LEI. Adding the LEI requirement would require the DTC participants that have not obtained an LEI to select an LOU,¹⁶ apply for an LEI, and once obtained provide the LEI to DTC. In addition, CDS would be required to obtain LEIs from CDS Participants. The DTC participants and CDS Participants would also need to renew the LEI periodically. The expense of obtaining and renewing an LEI is minimal, and it can usually be obtained within a few days once the entity provides the necessary information to the LOU.¹⁷

¹⁶ Only entities that are accredited by GLEIF may issue LEIs. A list of accredited LOUs can be found on the GLEIF website: www.gleif.org/en/about-lei/get-an-lei-find-lei-issuing-organizations.

¹⁷ Based on a review by DTCC, the average cost for registering a new LEI is approximately \$71, the average cost for maintenance is approximately \$62, and the application processing time is typically 24-48 business hours.

Failure to adhere to the LEI requirement could result in a fine in accordance with the Rules.¹⁸

Rule Changes

LEI Requirement

In order to add the requirement that participants obtain and provide an LEI, DTC is proposing to make the following changes.

(i) Defined Term

DTC would add a new defined term, LEI, to Rule 1. DTC would use the terminology of the GLEIF for the definition.¹⁹

(ii) Applicants, Participants and Pledgees

DTC would add a new Section 12 to Rule 2 to require (i) each DTC applicant to obtain and provide an LEI to DTC as part of its membership application and (ii) each Participant, Pledgee, DRS Agent and FAST Agent to always have a current LEI on file with DTC. DTC is proposing to add a footnote in that section which states such Participants, Pledgees, DRS Agents and FAST Agents shall have 60 calendar days from the date they are notified by Important Notice to submit their LEIs. The footnote would provide that it would sunset at the end of the 60-calendar day period.

(iii) CDS Participants

DTC would add a new Section 11 to Rule 30 to require that CDS provide DTC with an LEI for each CDS Participant for which CDS opens and maintains a subaccount

¹⁸ See Rule 21, supra note 6 (provides that DTC may discipline any Participant or Pledgee for violations of the Rules, including but not limited to a fine).

¹⁹ See supra note 8.

at the Corporation such that the Corporation shall have a current LEI for each such CDS Participant at all times. DTC is proposing to add a footnote in that section which states that CDS shall have 60 calendar days from the date that CDS is notified by Important Notice to submit LEIs for each of the CDS Participants. The footnote would provide that it would sunset at the end of the 60-calendar day period.

Implementation Timeframe

DTCC is determining a framework relating to the adoption of the selected LEI option across all DTCC subsidiaries and product lines, including an approach to managing the implementation of the LEI requirement for both existing and new clients of DTC. DTC would provide notice to existing Participants, Pledgees, DRS Agents, FAST Agents and CDS, including by Important Notice, advising them of the LEI requirements for DTC and notifying them of the dates by which they are expected to have obtained and provided an LEI to DTC. DTC would give Participants, Pledgees, DRS Agents, FAST Agents and CDS that do not currently have the requisite LEIs, 60-calendar days from the date of the notice to obtain and provide the requisite LEIs to DTC. DTC considers 60-calendar days to be sufficient for obtaining an LEI, as it can typically be acquired within a few days once the entity provides the necessary entity information to the LOU.

2. Statutory Basis

Section 17A(b)(3)(F) of the Act, requires, that the Rules be designed to, among other things, promote the prompt and accurate clearance and settlement of securities transactions.²⁰

²⁰ 15 U.S.C. 78q-1(b)(3)(F).

DTC believes that the proposed changes to add an LEI requirement are consistent with this provision because the proposed revisions would improve the quality of data that is collected from DTC's participants as well as the process for collecting that data including (i) simplifying and expediting certain operational processes, including due diligence and KYC, by utilizing an efficient and accurate method to verify identity of DTC participants, (ii) enhancing counterparty risk assessment and management of DTC participants by improving information about counterparty relationships and hierarchies within and between DTC participants, (iii) creating efficiencies relating to onboarding and lifecycle management for DTC and DTCC's other subsidiaries that share participants, (iv) obtaining reliable data from the standardized global LEI system, a dependable source of verified data, and (v) reducing overlap and duplication of data within databases and helping to streamline data reconciliations and reduce data errors. DTC believes that creating efficiencies in operational processes, onboarding and lifecycle management and improving risk management by improving the quality of verified data that is collected from DTC's participants as well as the process for collecting that data would promote the prompt and accurate clearance and settlement of securities transactions by DTC. As such, DTC believes the proposed rule changes are consistent with Section 17A(b)(3)(F) of the Act.²¹

(B) Clearing Agency's Statement on Burden on Competition

DTC believes that the proposed changes to add an LEI requirement could impose a burden on competition because these changes would impose a cost on firms that currently do not have an LEI to obtain and maintain them. DTC does not believe that any

²¹

Id.

burden on competition imposed by the proposed rule change would be significant because the cost to obtain and maintain an LEI is relatively small,²² and DTC understands that many of its participants already maintain LEIs for other purposes. Regardless of whether the potential burden on competition is deemed significant, DTC believes the proposed rule change is both necessary and appropriate in furtherance of the purposes of the Act. Specifically, DTC believes that any burden on competition that is created by the proposed changes would be necessary in furtherance of the purposes of the Act²³ because creating efficiencies in operational processes, onboarding and lifecycle management and improving risk management by improving the quality of verified data that is collected from DTC's participants as well as the process for collecting that data would promote the prompt and accurate clearance and settlement of securities transactions by DTC. DTC also believes that any burden that is created by the proposed rule change would be appropriate in furtherance of the purposes of the Act²⁴ because the proposed changes would be limited to requiring an LEI that is easily obtained through the established global LEI system at a relatively minor cost.

²² As noted above, based on a review by DTCC, the average cost for registering a new LEI is approximately \$71 and the average cost for maintenance is approximately \$62.

²³ 15 U.S.C. 78q-1(b)(3)(I).

²⁴ Id.

(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

DTC has not received or solicited any written comments relating to this proposal. If any written comments are received, they will be publicly filed as an Exhibit 2 to this filing, as required by Form 19b-4 and the General Instructions thereto.

Persons submitting comments are cautioned that, according to Section IV (Solicitation of Comments) of the Exhibit 1A in the General Instructions to Form 19b-4, the Commission does not edit personal identifying information from comment submissions. Commenters should submit only information that they wish to make available publicly, including their name, email address, and any other identifying information.

All prospective commenters should follow the Commission's instructions on *How To Submit a Comment*, available at www.sec.gov/regulatory-actions/how-to-submit-comments. General questions regarding the rule filing process or logistical questions regarding this filing should be directed to the Main Office of the Commission's Division of Trading and Markets at tradingandmarkets@sec.gov or 202-551-5777.

DTC reserves the right not to respond to any comments received.

III. Date of Effectiveness of the Proposed Rule Change, and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and paragraph (f) of Rule 19b-4 thereunder. At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form (www.sec.gov/rules/sro.shtml); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-DTC-2025-009 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549.
- All submissions should refer to File Number SR-DTC-2025-009. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (www.sec.gov/rules/sro.shtml). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC

20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m.

Copies of the filing also will be available for inspection and copying at the principal office of DTC and on DTCC's website (www.dtcc.com/legal/sec-rule-filings). Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to File Number SR-DTC-2025-009 and should be submitted on or before [insert date 21 days after publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²⁵

Secretary

²⁵ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

Bold and underlined text indicates proposed added language.

~~Bold and strikethrough~~ text indicates proposed deleted language.

RULES

BY-LAWS

ORGANIZATION CERTIFICATE

THE DEPOSITORY TRUST COMPANY

RULE 1

DEFINITIONS; GOVERNING LAW

Issuing Agent Account

The term “Issuing Agent Account” means the Account of an MMI Issuing Agent, designated as such by the MMI Issuing Agent in the manner specified in the Procedures, as the Account to be used in connection with the issuance of MMI Securities for which it is the MMI Issuing Agent.

LEI

The term “LEI” means a Legal Entity Identifier that is a 20-character reference code to uniquely identify legally distinct entities that engage in financial transactions based on the ISO 17442 standard developed by the International Organization for Standardization that satisfies the standards implemented by the Global Legal Entity Identifier Foundation.

Lender

The term “Lender” means a bank or other lender which has extended credit to the Corporation for purposes authorized by these Rules.

RULE 2

PARTICIPANTS AND PLEDGEES

Section 11. As part of their application materials, each applicant to become a Participant or Pledgee shall complete and deliver to the Corporation a Cybersecurity Confirmation (as defined below), in addition to the successful completion of network and connectivity testing at the current DTC standards (the scope of such testing to be determined by the Corporation in its sole discretion).

Section 12. As part of their application materials, each applicant to become a Participant, Pledgee, DRS Agent or FAST Agent shall obtain and provide to the Corporation an LEI.

Each Participant, Pledgee, DRS Agent and FAST Agent shall have a current LEI on file with the Corporation at all times.¹

RULE 30

CANADIAN-LINK SERVICE

Section 10. Canadian-Link Charges.

(a) Each Participant shall pay all fees and charges of the Corporation for the Canadian-Link Service, which fees and charges shall include without limitation (i) the fees and charges of CDS for holding Cross-Border Securities and processing Cross-Border Transactions between Canadian-Link Participants and CDS Participants for the Corporation, (ii) other third-party fees and charges related to the Canadian-Link Service, (iii) internal allocated costs, (iv) taxes (except taxes imposed on or measured by the net income of the Corporation), other governmental charges and obligations to deduct or withhold taxes on dividend, interest and other payments related to Cross-Border Securities held by the Corporation for Canadian-Link Participants, together with interest and penalties thereon and additions thereto (other than interest, penalties and additions imposed because of the gross negligence or willful misconduct of the Corporation or its agents) and (v) penalties and other charges imposed by any governmental or regulatory authority for any failure to file documents or information required with respect to Cross-Border Securities held by the Corporation for Canadian-Link Participants (other than a failure caused by the gross negligence or willful misconduct of the Corporation or its agents).

(b) The fees and charges for the Canadian-Link Service shall be billed and paid in accordance with Rules 20 and 23.

Section 11. CDS Participants – LEI.

CDS shall provide the Corporation with an LEI for each CDS Participant for which CDS opens and maintains a subaccount at the Corporation such that the Corporation shall have a current LEI for each such CDS Participant at all times.²

¹ **Participants, Pledgees, DRS Agents and FAST Agents shall have 60 calendar days from the date that Participants, Pledgees, DRS Agents and FAST Agents are notified by Important Notice to submit their LEIs. This footnote shall sunset at the end of the 60-calendar day period.**

² **CDS shall have 60 calendar days from the date that CDS is notified by Important Notice to submit LEIs for each of the CDS Participants. This footnote shall sunset at the end of the 60-calendar day period.**