

MEMO# 35796

July 31, 2024

ICI Submits Comment Letter to SEC on FINRA's Proposed Rule Change to Adopt FINRA Rule 6500 Series to Implement the Securities Lending and Transparency Engine (SLATE)

[35796]

July 31, 2024

TO: ICI Members
Investment Advisers Committee
SEC Rules Committee
Securities Lending Working Group
SUBJECTS: Disclosure Fees and Expenses
Investment Advisers Operations
Trading and Markets
RE: ICI Submits Comment Letter to SEC on FINRA's Proposed Rule Change to Adopt FINRA Rule 6500 Series to Implement the Securities Lending and Transparency Engine (SLATE)

On July 30, 2024, ICI submitted the attached comment letter to the Securities and Exchange Commission (SEC) on the Financial Industry Regulatory Authority's proposed FINRA Rule 6500 series ("Proposed Rule") that would implement FINRA's Securities Lending and Transparency Engine ("SLATE"). The Proposed Rule is intended to address the SEC's request that FINRA issue rules concerning the format and manner of the collection and public dissemination of prescribed information for Rule 10c-1a under the Securities Exchange Act of 1934 ("Exchange Act").

As discussed in the letter, we do not believe that the SEC can find the Proposed Rule to be consistent with the requirements of the Exchange Act, Rule 10c-1a, or Exchange Act rules applicable to FINRA because the Proposed Rule exceeds the authority that the SEC granted to FINRA in Rule 10c-1a. The SEC should not approve the Proposed Rule if it includes any additional data elements beyond those specified in Rule 10c-1a or requires reporting of intraday changes to a loan that do not reflect the final data elements for that loan.

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