FINANCIAL INFORMATION FORUM

November 24, 2025

By electronic mail

Financial Industry Regulatory Authority, Inc.
1735 K Street, NW
Washington, DC 20006
Attn: Racquel Russell, Senior Vice President and Director of Capital Markets

Re: Securities and Exchange Commission Rule 10c-1a (Securities Lending Transparency); FINRA Rule 6500 Series: Securities Lending and Transparency Engine (SLATE)

Dear Ms. Russell,

Financial Information Forum ("FIF") is submitting this letter as a follow-up to a videoconference discussion with you, your colleagues at the Financial Industry Regulatory Authority ("FINRA"), FIF members and FIF on September 15, 2025. Our discussion related to Securities and Exchange Commission ("Commission") Rule 10c-1a (Securities Lending Transparency) and the FINRA Rule 6500 Series (Securities Lending and Transparency Engine (SLATE)). FIF members and FIF would like to thank you and your colleagues for speaking with us on September 15 and raising various issues for our consideration.

As an implementation-focused association, FIF is not making recommendations as to whether the Commission should retain or rescind Rule 10c-1a, and this letter is not intended to reflect any positions that FIF members might have on this issue. This letter is focused on how Rule 10c-1a, if implemented, can be implemented in the most effective and efficient manner.

This letter addresses two specific issues discussed during the September 15 call.

A. End-of-day reporting based on the last reportable event

Background

During the September 15 call, you and your colleagues raised questions as to whether Covered Persons should be required to report all order events or should only be required to report based on the loan status after the last order event for the day. You also asked whether reporting should be based on trading or settlement activity. The comments in this section reflect the discussions of the FIF Working Group in response to these questions.

The consensus of the FIF Working Group is that reporting should be based on trading activity rather than settlement activity. This is discussed in further detail below.

With respect to whether all order events should be reported, FIF conducted a poll during a SLATE Working Group call on October 22, 2025. FIF asked the participants on the call to vote electronically (and anonymously) in response to the following poll question:

> "If event reporting applies, and there are multiple events for a loan in a day, does your firm support reporting (i) all the events for the loan for the day, or (ii) a single record for the loan based on the state of the loan after the last event of the day? Alternatively, is your firm OK with either approach. An event can be a new loan or a modification or termination.
>
> - All events for the loan for the day (if there is at least one event for the day); if multiple events for a day, report each event separately [7/57; 12%]
> - A single record for the loan based on the state of the loan after the last event of the day (if there is at least one event for the day) [40/57; 70%]
> - Either approach is acceptable" [10/57; 18%]

The excerpt above includes in brackets the responses from the participants on the Working Group call who responded to the survey question. 70% of respondents supported reporting a single record for the day; 12% of respondents supported reporting each loan event; and 18% of respondents responded that either approach is acceptable.

The remainder of this section provides recommendations as to how FINRA could implement SLATE reporting based on Covered Persons reporting a single SLATE event for a loan for any date on which there is at least one reportable loan event.

End-of-day reporting based on the loan status after the last reportable event

The following scenarios are intended to illustrate how this approach would be applied.

- If a Covered Person enters into a new loan on Monday, the Covered Person would report a Loan Event for Monday.[1] This Loan Event would not report a FINRA-assigned identifier.
- If the Covered Person amends this loan on Tuesday, the Covered Person would report a Loan Event for Tuesday. This Loan Event would include the full level of detail as reported for the Loan Event for Monday, except that the Loan Event submitted for Tuesday would link to the Loan Event reported for Monday through the loan identifier assigned by FINRA.
- If the Covered Person enters into multiple amendments of this loan on Wednesday, the Covered Person would report a single Loan Event for Wednesday that reflects the current state of the

[1] As discussed below, FIF members recommend a cut-off time of 12 a.m. with events for any day to be reportable by 9 a.m. the following morning. All times in this letter refer to Eastern time.

loan as of the end-of-day on Wednesday. For example, if there are two amendments on Wednesday, the first amendment reflects a change in the scheduled termination date (referred to in the Participant Specifications as the "term date"), and the second amendment reflects a change in the rebate rate, the Covered Person would report a single Loan Event that reflects both changes. In this scenario, both changes would be reflected in the Covered Person's trading system records after the second amendment.

FIF members recommend reporting new loans, loan modifications and loan terminations using a single event type (referred to in this letter as a "Loan Event") given that a new loan could be modified on the new loan date and an existing loan could be modified and terminated on the same date. SLATE would be able to distinguish a new loan from a modification because a Covered Person would report a FINRA-assigned identifier for a modification but would not be able to report a FINRA-assigned identifier for a new loan. SLATE could further distinguish a termination from a modification because, for a termination, the term date (i.e., the scheduled termination date) would be the same as the eventDate. This is discussed in further detail below.

Modification on date of initial loan

If a Covered Person amends a loan on the date that the loan is first agreed, the Covered Person would report a Loan Event that incorporates the terms of the initial loan as modified by the amendment.

Loan termination

As discussed in the letter submitted by FIF on April 25, 2025,[2] if a loan with a scheduled termination date (referred to in the Participant Specifications as the "termDate") terminates on its scheduled termination date, there is no need for a Covered Person to report an event to SLATE to reflect the termination, as this information is already known to SLATE. If (i) an open loan (i.e., a loan without a scheduled termination date) terminates or (ii) a term loan (i.e., a loan with a scheduled termination date) terminates prior to the scheduled termination date, the Covered Person should report a Loan Event to SLATE with the scheduled termination date set to the event date and with the other loan details reported at the point of termination (or, more precisely, based on the loan terms that were in effect immediately prior to the point of termination). For example, the equityShares or parValue would be reported based on the quantity immediately prior to the point of termination.

Modification and termination on same date

If a Covered Person enters into a new loan on Monday with a scheduled termination date of Wednesday and then amends and then terminates the loan on Tuesday (with such termination being prior to the scheduled termination date reported on Monday), the Covered Person would report a Loan Event for Monday and another Loan Event for Tuesday. The Loan Event reported for Tuesday would include Tuesday as the scheduled termination date and would report the other terms of the loan as in effect immediately prior to the termination.

[2] Available at https://www.fif.com/index.php/working-groups/category/271-comment-letters?download=3255:fif-letter-to-the-sec-and-finra-relating-to-the-implementation-of-slate&start=30&view=category.

Reporting based on trading system

All reporting by a Covered Person should be based on the Covered Person's trading system (i.e., the system that the Covered Person uses to record securities loans and related events, such as modifications and terminations). Reporting should not consider whether the open or close leg of a loan has actually settled, as this type of requirement would significantly increase the level of work that firms would need to undertake to implement securities loan reporting. More specifically, this would require significant work involving the integration of trading and post-trade systems. In addition, (i) the Commission and FINRA would need to consider all potential settlement-related events, (ii) Rule 10c-1a, the FINRA SLATE rules and/or the SLATE Participant Specifications would need to account for all potential settlement-related events, and (iii) FINRA would need to modify the SLATE system to account for all potential settlement-related events. All of these requirements would be costly to implement and maintain. Many Covered Persons also have undertaken significant development work based on the current guidance that reporting is based on trade date rather than settlement date.

FIF members also do not believe that reporting based on settlement activity is contemplated by Rule 10c-1a. FIF members further note that if a loan does not settle as scheduled and the parties do not cancel the loan, the contractual and economic obligations of the parties remain in effect, subject to remedies for breach of the loan agreement.

Rule 10c-1a refers to the date and time that a securities loan has been "effected". Consistent with the discussion above, FIF members request that the Commission and FINRA provide written confirmation that the term "effected" means a Covered Person's recording of a loan in its trading system.

Covered Persons could have different policies for when they deem a loan to be "effected". Some Covered Persons (for example, certain agency lenders) consider a loan as being "effected" at the time of settlement of the open leg of a loan because this is the time at which the parties to the loan have been finalized. For these firms, discussions prior to the point of settlement are indicative. Consistent with our recommendation above, the Commission and FINRA should provide written guidance that this is a permitted approach for reporting. FIF members note that, in this scenario, the settlement would be reflected in the Covered Person's trading system. In other words, this approach is consistent with the general principle that a Covered Person should report based on the recording of loan activity in its trading system. This scenario would involve the same-day settlement of the opening leg.

As discussed below, the approach proposed in this letter would remove the need for Covered Persons to report the time that a trade has been effected.

Daily reporting of all positions

The FIF SLATE Working Group also discussed as a potential reporting approach that Covered Persons submit an end-of-day report with every open position. FIF members had concerns with this approach because it would significantly increase the volume of events that Covered Persons would submit every day and would not add any information to the audit trail that is not already included in the approach

proposed by FIF members in this letter. This approach could also significantly increase the number of corrections that a Covered Person would need to report without any corresponding regulatory benefit.

Cut-off, reporting and processing times

FIF members recommend a cut-off time of 12 a.m. ET (all times in this letter refer to ET). FIF members further recommend that a Covered Person should be required to report all loan events by 9 a.m. the following morning. FIF members believe that SLATE could provide feedback (including FINRA-assigned identifiers for new loans) by noon.

A Covered Person should have the option to report some or all events to SLATE prior to the 12 a.m. cut-off time if the Covered Person expects that it will not have any further events to report for the applicable loan prior to the cut-off time. FIF members contemplate that FINRA would process these events the following morning after the 9 a.m. reporting deadline.

eventDate

With reporting based on the status after the last reportable event for a day, a report can represent multiple events with different timestamps. Accordingly, FIF members request that the "time" portion of the eventDateTime field be removed. It is important to retain the date portion of this field in connection with the reporting of corrections, cancels and late reports, as discussed below.

Agreed settlement date

FIF members recommend that the Commission and FINRA add a field for a Covered Person to report the "agreed settlement date". For example, if a Covered Person enters into a loan on Monday with the open leg scheduled to settle on Tuesday, the Covered Person would report the loan for Monday and report an "agreed settlement date" of Tuesday. As proposed, this would be a separate field. This field could alternatively be referred to as the contractual settlement date, the scheduled settlement date, the start date, or the expected settlement date. The word "open" also could be added before the word "settlement" for any of these definitions since this field would refer to the agreed settlement of the open leg. It is important to note that this is different from the actual settlement date, which would be recorded in the Covered Person's settlement system and thus should not be reportable (as discussed above). FIF members propose that this agreed settlement date field be required to the extent that a Covered Person maintains a value for this field in its trading system.

This field would inform regulators as to when the economic terms of a loan take effect. While this letter is focused on the reporting of loans and not the dissemination of loan information, FIF members recommend that the timing for the dissemination of a loan should be based on its agreed open settlement date as opposed to the date that the loan is entered into because it could be harmful for the parties to have to disclose a loan prior to the economic start date of the loan.

Corrections

A correction can be defined as the correction by a Covered Person of a Loan Event previously accepted by SLATE. Consistent with the current SLATE Participant Specifications, a Covered Person should report a correction using a Correction Event type. A Correction Event would include the same fields as a Loan Event, and the FINRA-assigned loan identifier and the FINRA control number would identify to SLATE the Loan Event that is being corrected.[3]

Cancels and deletions

Consistent with the current SLATE Participant Specifications, separate event types should be required for a Covered Person (i) to cancel a previously-reported Loan Event or (ii) to delete a previously-reported loan. These event types would be used when the Covered Person mistakenly reported the applicable loan or the applicable Loan Event.

Late reports

SLATE would be able to identify a late report based on a Covered Person not reporting the applicable event by 9 a.m. on the first business date following the event date of the event being reported.

Resubmission of data prior to the 9 a.m. reporting deadline

SLATE should allow a Covered Person to resubmit a file or one or more events prior to the 9 a.m. reporting deadline. For example, if a Covered Person submits a file at 7 a.m. and realizes that there are errors in the file, the Covered Person should be able -- prior to 9 a.m. that morning -- to (i) delete the original file and submit a replacement file that replaces the file submitted at 7 a.m., or (ii) cancel specific events from the 7 a.m. file and resubmit specific events that the Covered Person reported in the 7 a.m. file. As a second example, if a Covered Person submits a file at 5 p.m. for the current date (to be processed by FINRA the following morning) and realizes that there are errors in the file, the Covered Person should be able -- either that evening or prior to 9 a.m. the following morning -- to (i) delete the original file and submit a replacement file that replaces the file submitted at 5 p.m., or (ii) cancel specific events from the 5 p.m. file and resubmit specific events that the Covered Person reported in the 5 p.m. file.

The process described in clause (ii) in the second and third sentences of the preceding paragraph would require a Covered Person to identify the specific event (or events) being cancelled even though FINRA has not yet processed the event (or events). This could be achieved through the current process in the Participant Specifications where a Covered Person references the fileRecordId of each event being cancelled.[4]

[3] Participant Specifications for FINRA Securities Lending and Transparency Engine (SLATE™), available at https://www.finra.org/sites/default/files/2024-05/slate-participant-specification.pdf ("Participant Specifications"), at 27.

[4] Participant Specifications, at 26.

Scenarios

FIF members present the following scenarios to further clarify the reporting proposed in this section (to the extent that the Commission and FINRA adopt an approach for Covered Persons to report based on the loan status after the last event of the day). These examples assume a loan of shares.

Scenario #	Description	Events	Reporting
1	Agreement for partial return of shares	• New loan agreed (October 1 at 9:30 am) • Parties agree to a partial return of shares (October 3 at 9:30 am)	• Report Loan Event (for October 1)[5] • Report Loan Event (for October 3)
2	Agreement for partial return of shares cancelled same day	• New loan agreed (October 1 at 9:30 am) • Parties agree to a partial return of shares (October 3 at 1:30 pm) • Parties agree to cancel partial return of shares (October 3 at 4:30 pm)	• Report Loan Event (for October 1)
3	Agreement for partial return of shares cancelled next day	• New loan agreed (October 1 at 9:30 am) • Parties agree to a partial return of shares (for October 5) (October 3 at 1:30 pm) • Parties agree to cancel partial return of shares (October 4 at 9:30 am)	• Report Loan Event (for October 1) • Report Loan Event (for October 3) • Report Loan Event (for October 4)
4	Two agreements for partial return of collateral on same day; one partial return cancelled next day	• New loan agreed (October 1 at 9:30 am) • Parties agree to a partial return of shares (for October 5) (October 3 at 1:30 pm) • Parties agree to a second partial return of shares (for October 5) (October 3 at 2:30 pm) • Parties agree to cancel the first partial return of shares (October 4 at 9:30 am)	• Report Loan Event (for October 1) • Report Loan Event (for October 3) • Report Loan Event (for October 4)

[5] In this table, all reports for a date would be reportable by 9 a.m. the following morning. For example, a Loan Event for October 1 would be reportable by 9 a.m. on October 2).

Scenario #	Description	Events	Reporting
5	Agreement for full return for open loan previously reported (same analysis applies for term loan if there is agreement for a full return prior to the scheduled termination date)	• New open loan agreed (October 1 at 9:30 am) • Parties agree to a full return of shares (October 3 at 1:30 pm)	• Report Loan Event (for October 1) • Report Loan Event (for October 3)
6	Agreement for full return on loan date	• New loan agreed (October 1 at 9:30 am) • Parties agree to a same-day full return of shares (October 1 at 3 pm)	• Loan is not reportable
7	Agreement for full return for open loan cancelled the same day	• New open loan agreed (October 1 at 9:30 am) • Parties agree to a full return (October 3 at 1:30 pm) • Parties agree to cancel full return (October 3 at 4:30 pm)	• Report Loan Event (for October 1)
8	Agreement for full return for open loan cancelled the following day	• New open loan agreed (October 1 at 9:30 am) • Parties agree to a full return of shares (for October 5) (October 3 at 1:30 pm) • Parties agree to cancel full return (October 4 at 9:30 am)	• Report Loan Event (for October 1) • Report Loan Event (for October 3) • Report Loan Event (for October 4)
9	Same day cancel	• New loan agreed (October 1 at 9:30 am) • Parties agree to cancel the loan (October 1 at 5 pm)	• Loan is not reportable
10	Next day correction	• New loan agreed (October 1 at 9:30 am) • Covered Person determines that on October 1 it reported the loan with the incorrect number of shares loaned (October 2 at 9:30 am)	• Report Loan Event (for October 1) • Report Correction Event (with eventDate of October 1)

B. Loans entered into prior to the compliance date for SLATE reporting

FIF members recommend that modifications and terminations of pre-existing loans be excluded from reporting. We use the term "pre-existing loan" to mean a loan entered into prior to the compliance date

for SLATE reporting. FIF members are concerned that the requirement to report modifications and terminations of pre-existing loans would impose a significant cost and burden on Covered Persons and that this cost and burden would outweigh the justification for such a requirement. Based on a 2016 report by the Treasury Department's Office of Financial Research, FIF estimates the following results if modifications of pre-existing loans were not reportable:

- After 30 days, 44% of loans would be reportable
- After 90 days, 70% of loans would be reportable
- After 365 days, 95% of loans would be reportable.[6]

FIF members also are not aware of any regulatory value in reporting the termination of a pre-existing loan if a modification has not previously been reported and believe that reporting should not be required for this scenario.

If the Commission and FINRA decide to require reporting of modifications of pre-existing loans, FIF members recommend two possible approaches. FIF members first recommend that Covered Persons report this scenario using a Loan Event, as discussed above. With this approach, a modification of a pre-existing loan would be reported in the same manner as a new loan. Under this approach, regulators would not be able to distinguish between a new loan and modification of a pre-existing loan. If this approach is not acceptable to regulators, FIF members recommend as a second alternative that a Covered Person report this event using a Loan Event and adding a field to the Loan Event (i.e., a flag) for a Covered Person to identify an event as a modification of a pre-existing loan. Any subsequent modification or termination of the loan would not require this flag because FINRA would have assigned a FINRA loan identifier upon receipt and processing of the first modification.

FIF members also have the following concerns with the current Pre-Existing Loan Modification Event and the following recommendations for how these concerns can be addressed:

- FINRA should not require a Covered Person to report the loanEffectedDateTime field for modification of a pre-existing loan, as Covered Persons would not necessarily retain this data for a loan effected prior to the compliance date.
- FINRA should remove the terminationDate field as reporting should be based on the scheduled termination date, which is covered by the termDate field.
- FINRA should clarify that the executionPlatformVenue and executionPlatformName fields refer to the loan modification (and not to the original loan) or not apply these fields for these modifications

[6] Viktoria Baklanova, Office of Financial Research, Cecilia Caglio, Federal Reserve Board of Governors, Frank Keane Federal Reserve Bank of New York, and Burt Porter, Securities and Exchange Commission, Office of Financial Research Working Paper 16-08 (Aug. 23, 2016), available at https://www.financialresearch.gov/working-papers/files/OFRwp-2016-08_Pilot-Survey-of-Securities-Lending.pdf, at 9-10. Please note that, even if modifications of pre-existing loans were reportable, 100% of loans would not be reportable; this is because pre-existing loans that are not modified would not be reportable.

- FINRA and Covered Persons should identify any fields for reporting these types of modifications that would be different from the reporting of other loan events and discuss how these fields should be reported.

These comments are in addition to comments previously submitted by FIF members relating to SLATE events in general (for example, comments relating to removing voluntary fields and clarifying the borrowerType values).

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FIF members appreciate FINRA's consideration of the recommendations discussed in this letter. Please contact me at howard.meyerson@fif.com if you would like clarification on any of the points set forth above.

Very truly yours,

/s/ Howard Meyerson

Howard Meyerson
Managing Director, Financial Information Forum