August 19, 2022

Organisation for Economic Co-operation and Development
Centre for Tax Policy and Administration
Tax Treaties, Transfer Pricing and Financial Transactions Division
2, Rue André Pascal
75775 Paris, France

TFDE@oecd.org

Re: Comment Letter on the Public Consultation Document: Progress Report on Amount A of Pillar One

The National Foreign Trade Council (the "NFTC") is pleased to provide written comments on the Public Consultation Document: Progress Report on Amount A of Pillar One, published July 11, 2022 (the "Consultation Document").

The NFTC, organized in 1914, is an association of U.S. business enterprises engaged in all aspects of international trade and investment. Our membership covers the full spectrum of industrial, commercial, financial, and service activities. Our members value the work of the OECD and the Inclusive Framework in establishing and maintaining international tax and transfer pricing norms that provide certainty to enterprises conducting cross-border operations. A list of the companies comprising the NFTC's Board of Directors is attached as an Appendix.

General Comments

Efficacy of Consultation Process

The NFTC appreciates the opportunity to provide written comments on the Consultation Document, which for the first time presents most of the building blocks of Amount A together. We also note the iterative improvements, for example with regard to some of the provisions on revenue sourcing, that reflect feedback received from earlier consultations and highlight the value of the consultation process to all stakeholders.

We encourage the OECD to continue to provide opportunities for consultation on these important rules, in particular the rules omitted from the Consultation Document (i.e., elimination of double taxation, administration, withholding tax, and tax certainty). In particular, it is difficult to provide meaningful comments on the substantive rules in the Consultation Document without a full appreciation of the administrative framework; for example, rules related to revenue sourcing that appear unworkable or inflexible can be moderated by an administrative framework that provides presumptions in favor of Covered Groups. While we are heartened to see the reference in the Consultation Document to "a streamlined administration process and innovative tax certainty processes," it is important to review these processes in light of the updated substantive rules, and vice versa. Because these rules are intended to work together as a system, it is important for the OECD to solicit input on the rules as a whole prior to their finalization.

Progress Toward Objectives

The October 2021 Statement on a Two-Pillar Solution outlined several key objectives of the Pillar One work. The Consultation Document provides an opportunity to evaluate the work to date against these objectives, as follows:

- Reallocation of taxing rights to market jurisdictions: the Amount A calculation formulas provide additional rights to market jurisdictions, although improvement is still needed in providing for workable revenue sourcing rules, which are foundational to the durability of Amount A. Specific comments are provided below.

- Ensuring that residual profits are not double counted or double taxed, which is necessary to ensure the stability of the system: significant work remains. The proposed marketing and distribution safe harbor (the "MDSH") includes several limitations which result in double counting, and do not seem to be tethered to traditional economic principles. Further, the failure to adequately address withholding taxes threatens to undermine the integrity of the work. Specific comments are provided below.

- Tax certainty: significant work remains. The draft substantive rules are complex and, in some cases, impractical, thereby creating the potential for protracted disputes. The tax certainty rules on administration and tax certainty provided in prior consultation drafts had many areas for improvement. Significant work remains to ensure the requisite level of tax certainty. We look forward to seeing the updated tax certainty rules along with the important rules relating to tax administration.

- Eliminating unilateral measures: it is helpful for the Consultation Draft to reiterate a commitment to removing digital services taxes and similar measures, and to providing the beginnings of a standard for such measures. This aspect of the project is critically important to ensure the stability of the system. Specific comments are provided below.

Specific Comments

DSTs and Similar Measures

The Overview to the Consultation Document provides that the Multilateral Convention ("MLC") will contain provisions requiring the withdrawal of all existing Digital Services Taxes ("DSTs") and relevant similar measures with respect to all companies and will include a definitive list of those existing measures. We welcome the reiteration of this commitment and look forward to ongoing progress in specifying the measures to which it applies. Relevant similar measures should include any tax measures that are discriminatory by industry, act as trade barriers, or are targeted at predominately foreign multinational enterprises. More clarity is required for measures such as diverted profits taxes, which are noted only in the context of determining the Elimination Tax Base in Schedule I.

Withholding Taxes

The Overview to the Consultation Document provides that withholding taxes treated as covered taxes under tax treaties will not be considered measures that must be withdrawn as part of Amount A. The Overview also states that there are divergent views as to whether and, if so, to what extent withholding taxes on deductible payments are related to the elimination of double taxation and to double counting. The NFTC urges the participating jurisdictions to come to a principled agreement that withholding taxes imposed on deductible payments made by a member of a Covered Group represent the taxing jurisdiction's assertion of taxing rights on the profits of that Group, and therefore must be taken into account in the MDSH and, more generally, the calculation of Amount A. The failure to do this would permit a backdoor around the rules and objectives of Pillar One by allowing market jurisdictions to tax residual profits greater than permitted under Amount A. The failure to address this issue in a principled manner will result in a proliferation of withholding taxes, destabilizing the system and undermining the objectives of Pillar One. Direct taxes imposed on Covered Groups, such as gross-basis withholding taxes, should either be accounted for in the calculation of Amount A or should be withdrawn as part of the commitment to withdraw DSTs and relevant similar measures.

Segmentation – Disclosed Segments that are Covered Segments

The NFTC appreciates the progress made to limit segmentation (outside of the Extractives and Regulated Financial Services contexts) to reported financial statement segments only, as evidenced by the definition of "Disclosed Segment" and the elimination of references to bespoke segmentation.

In regard to Extractives, a Qualifying Extractives Group should be exempt from the Disclosed Segment rules because multiple interdependencies exist between different business segments. Therefore, it would be inequitable to view the segments as separate and distinct businesses. Additionally, this would add an extra layer of compliance complexity for a Qualifying Extractive Group in requiring them to bifurcate its group between Extractive and Non-Extractive activities.

To the extent the OECD moves forward with the Disclosed Segment concept, we recommend additional guidance on the application of the remaining rules, including the rules for loss carry-forwards, the MDSH, and the rules for elimination of double taxation. For example, it seems unfair to apply the Amount A rules to a Covered Group when the Covered Group as a whole is in a loss position. In terms of the MDSH and the rules for elimination of double taxation, it may be burdensome at the margin to identify and appropriately categorize entities that partially support the Covered Segment. Clear rules are required for groups that shift from Covered Group status to Covered Segment status, or vice versa. Additional clarity is also needed on Elimination Profit to ensure these jurisdictional measures only take into account the relevant financial data of the Covered Segment and exclude corresponding items for other Disclosed Segments. With this approach, only Relieving Jurisdiction which share into the Covered Segment's residual profits are identified as providing relief under the double taxation mechanism.

Regulated Financial Services Exclusion

We welcome the expansion of the Regulated Financial Services exclusion in the new definition of "Credit Institutions" to a more expansive list of lending activities than mortgage lending, which more accurately reflects the regulated business activities of banks and other financial services entities that in the ordinary course provide personal, commercial, and other loans to unrelated customers. Since these entities are not holding customer deposits on their balance sheets and therefore have a lower level of risk than that of deposit taking banks, these entities may be subject to risk-based capital adequacy requirements that differ from the core principles of the Basel requirements in some jurisdictions in which they operate.[1]

We recommend retaining the capital adequacy requirement for "Credit Institutions" as well as the requirement that the Group Entity be subject to capital adequacy requirements that reflect the Core Principles for Effective Banking Supervision as provided by the Basel Committee on Banking Supervision. However, in order to accommodate jurisdictions in which the regulator requires a risk-based capital adequacy standard for Credit Institutions that does not match the Basel Core Principles imposed on Depository Institutions but does still reflect the level of risk taken on by these entities, we request that commentary be included to reflect and allow for this fact. Similar language was reflected in footnote 5 of the earlier draft of the exclusion.

Separately, retail payment systems are an integral component of the financial services ecosystem. Electronic Payment Systems (EPS) facilitate the authorization (electronic messages to verify individual transactions), clearing (electronic instructions on batch transfer of funds), and settlement (batch transfer of funds) of retail payment transactions between Regulated Financial Institutions (RFI). Regardless of size, RFIs are excluded from Pillar One. EPS networks should not be required to demand from RFIs information about hundreds of billions of transactions a year or information about customers of RFIs. In order to mitigate the burden on RFIs, we recommend that the sourcing rules for EPS networks follow the "smaller customer" rules provided in "Revenues for Other Services."

---

[1] In the case of "Depository Institutions," local regulation that requires a level of risk-based capital in the local jurisdiction ensure that local customers are being served and that profits are being taxed locally. However, unlike "Depository Institutions," which fund their lending activities by borrowing from depository customers, many such entities fund their lending activities by other means, mainly through borrowing in the form of debt instruments.

Extractives Exclusion

For many integrated Oil & Gas and Energy companies, "Extractive Activities" includes transporting products from the jurisdiction of extraction to another jurisdiction for "Primary Processing" of the products. Thus, we recommend removing the reference to Jurisdiction of Extraction to more accurately reflect the operations of integrated multinationals operate and the intent of these definitions. We also recommend removing "incidental" from storage, as storage is a vital component of the value due to the movement of tremendous volumes of product. If storage is unavailable, the price in the market will reflect this, such as in 2020 when demand dropped resulting in a lack of storage which further depressed the price of oil and gas commodities. The 'substantial connection' test between Primary Processing and Extractives Activities creates a subjective standard that will be difficult to apply in practice and furthermore, fails to reflect how the industry operates.

The definition of Extractives Activities need some modifications to better align with industry practices. Paragraph 6 refers to carbon capture but implies only carbon capture which results in the Extraction of more oil and gas qualifies. Carbon capture is also utilized in wells that are no longer producing oil or gas. To account for this, we would delete "conducted in connection with such removal of Extractive Products."

In Paragraph 12, the list of activities for Primary Processing states "including the following," we feel this brings uncertainty and recommend expanding the list and clarifying that the list is not exhaustive and is intended to include other products, not listed, which result from the same Primary Processing activity e.g., crude oil refining. In discussing Processing of Gas to Liquids ("GTL"), we suggest for clarity that the definition make clear that GTL, bitumen, and natural gas are part of Primary Processing. We suggest adding natural gas within 12.1(a), to remedy the inconsistency with listing crude oil but not natural gas. There is also an inconsistency with blending, which appears permissible in the first paragraph, but then in the final paragraph combining two or more products does not qualify. We recommend modifying the definition to make it clear that activities after Primary Processing are excluded (whether additional processing, or other modifications prior to sale). We also strongly encourage the OECD to include aromatics and crude, as well as naphtha and ethane crackers within the Primary Processing definition. Sales of Primary Processing assets should also be included as Extractives Assets and excluded in paragraph 16.

Under the transition rules provided in section 21, it appears that during the transition phase a simplified approach may be applied which disregards "Extraction Revenue" provided in Section 20, paragraph 14 (e.g., the border limitation to the exclusion). By drafting this provision with a reference to whether the Group meets the profitability tests and then also referring to "a Disclosed Segment for which 75% or more of the revenues are…Extractives Revenues" creates a confusing cross-reference. For simplicity and clarity, we recommend modifying the provision as follows:

Notwithstanding the provisions of this Act or this Schedule B, during the Initial Transition Phase, a Qualifying Extractives Group may demonstrate that it does not meet the non-Extractives profitability test or the non-Extractives Segment profitability test (as applicable) in the Period by applying any of the following calculations:

"Where a Disclosed Segment for which 75 percent or more of the revenues for a Period are revenues derived from activities listed under 14 a, b and c, irrespective of whether these revenues were reported in the Jurisdiction of Extraction, the segment may be treated as an Extractives Segment".

Nexus Test

Article 3 of the Consultation Document provides that the nexus test is satisfied if revenues for a Covered Group treated as arising in a jurisdiction are equal to or greater than EUR 1 million, or EUR 250,000 for small jurisdictions. As noted in prior NFTC comments on these rules, these thresholds are far too low to justify the additional compliance and administrative burdens related to Amount A. A threshold of at least EUR 10 million would be more appropriate.

Revenue Sourcing Rules

The NFTC appreciates the changes made on the review sourcing rules that reflect feedback received from the consultation process earlier this year. Unfortunately, on balance, these rules continue to be overly burdensome and are inconsistent with commercial systems and documentation practices. The revenue sourcing rules are a fundamental building block of Amount A. They must be workable and administrable for both the Covered Group and for tax administration. Our comments below are intended to ensure that the rules are clear, workable, and administrable.

Regarding Article 4(2), it is not clear whether this language is intended to provide an independent transaction-by-transaction rule that must be met, or whether it is a statement of general principle. Assuming it is a statement of general principle, consider omitting this language and instead relying on the second sentence of Article 4(4), which provides that revenues must be sourced using a Reliable Method based on a Covered Group's specific facts and circumstances. Similarly, regarding Sec. 2.9(d)(ii) of Schedule E, consider omitting the language beginning with "including" (or explaining what it means beyond the application of the revenue allocation rules of Schedule E short of a transaction-by-transaction approach).

Regarding Article 4(3), we welcome the predominate character rule for revenue that falls under more than one category. Consider whether the initial determination of character by the Covered Group should be presumed correct in order to reduce potential disputes.

Regarding Article 4(4), we believe that it is overly burdensome to attempt to source "all Revenues" under the revenue sourcing rules. As further noted below, Non-Customer Revenues should be excluded from the Amount A determination. In addition, Covered Groups may produce many categories of products and services. The "Tail-End Revenues" concept recognizes this in the context of a particular product or revenue type, but consideration should be given to a similar concept in relation to the Covered Group's total revenues. For example, the revenues from any product category with revenues below 5% of total revenues could be allocated under simplified approaches to avoid disproportionate burden for immaterial items.

Article 4(5)-(11), and the corresponding provisions of Section 2-10 of Schedule E, provide prescriptive rules for sourcing revenues to jurisdictions. While we appreciate the targeted efforts to make these rules more workable, on balance they continue to be overly burdensome and inconsistent with commercial systems and documentation. Outside of the application of Allocation Keys (which should be applied at the election of the Covered Group), the "Reliable Indicators" should be based on reasonably accessible information that the Covered Group already collects and maintains for commercial, legal, or other regulatory purposes (including to comply with indirect tax obligations). While this is provided for to some extent in Section 2(3)(b)(i) of Schedule E, it should be clarified that this standard is intended to provide flexibility to the Covered Group to meet the general objectives of the revenue sourcing rules in a manner that is workable and not burdensome under the facts and circumstances. In addition, Covered Groups should not be required to base calculations on data from third parties. Such data is unlikely to be available or shared by third parties and may violate competition laws, if shared. Finally, the rules should not encourage Covered Groups to adopt contracts with third parties that impose geographical limitations or otherwise change commercial relationships with third parties. It would be helpful to adopt these principles, state them definitively, and reinforce them throughout the more detailed guidance.

Regarding Section 2(5)(a), defining "Alternative Reliable Indicator," further clarity is needed regarding what it means for the results of this indicator to be "consistent" with the revenue sourcing rule for the category of revenues at issue. This language clearly is not intended to mean that an Alternative Reliable indicator may be used only where a Covered Group can demonstrate that its results are the same as the results produced by an Enumerated Relievable Indicator, which would undermine the purpose allowing Alternative Relievable Indicators. Covered Groups should be permitted flexibility in developing indicators based on the readily accessible information relevant to their facts and circumstances.

Regarding Section 6(B) of Schedule E, the "location of the viewer" sourcing rule appears to continue to require transaction-by-transaction information and therefore is overly burdensome.

Regarding Section 6(F) of Schedule E, while we were pleased to see positive changes to the rules applicable to Other Services provided to "Large Customers," we were disappointed to see that the rules for Large Customers continue to emphasize information that would not normally be collected or maintained by Covered Groups. The application of the Aggregate Headcount Allocation Key is not practical for many reasons, including the difficulty of manually identifying and tracking accounts with various entities that are part of a multinational group. An alternative to the Aggregate Headcount Allocation Key, for example information used to comply with indirect tax obligations, should be provided in cases where it is not possible or practical to collect the required information. The difficulty in identifying and linking accounts also makes applying the definition of "Large Customer" impractical because it may not be possible to track the largest 200 customers of a Covered Group on a group customer basis. Additional clarity would also be helpful regarding whether all cloud services are treated as "other services," whether the definition of customer includes resellers or distributors, how a Covered Group is required to determine the Ultimate Parent Entity of its customer, how distributors of "other services" are treated since there is only a reference to resellers, and that large customers should be identified in the period before the period in question to eliminate disputes over who is and who is not a large customer during the year in question.

Regarding Article 4(12), Non-Customer Revenues should be excluded from the Amount A determination as by definition such revenues are not derived from any market jurisdiction.

Regarding Article 4(13), in addition to the proposed soft landing, the NFTC welcomes simplified approaches applicable during the first three years in which the Amount A rules apply to current and future Covered Groups and strongly encourages further development in this space. For example, consideration should be given to extending this Initial Transition Period beyond three years for the full period before which the scope of Amount A is expanded to smaller Covered Groups. This will allow each Covered Group to work with its Lead Tax Administration to develop workable revenue sourcing rules based on information that the Covered Group already collects and maintains for commercial, legal, or other regulatory purposes (including to comply with indirect tax obligations), and to evaluate and test different approaches beginning with product and service categories representing the largest share of revenue. Consideration should also be given to providing presumptions in favor of Covered Groups during the Initial Transition Period to permit them to use allocation methods that may generate more accurate revenue allocation results than the allocation keys specified in Section 11 of Schedule E, but that may not meet the standards of Sections 1-10 of Schedule E.

As it pertains to Oil and Gas companies, it is unclear which revenue category would apply. For instance, in applying the "Finished Goods sold to a Final Customer" category, most sales are business to business and only a small segment of the market is sold directly to Final Customers or via distributors. Similar challenges would occur under the "Revenues from Components" category due to the homogenous nature of the commodities purchased and sold as well as the fact they are often resold multiple times before reaching the Final Customer. Therefore, it will be extremely challenging to identify the place of delivery to a Final Customer of the finished good. The result is that homogenous commodities will not be sourceable using the preferred methods. Companies will be compelled to rely on GDP based Allocation Keys, which seem overbroad. Instead, relying on trade flows from governments and/or trade groups for trade data on export flows may better align with the economic realities of the industry than the GDP based Allocation Keys.

Marketing and Distribution Safe Harbor (MDSH)

The MDSH is an essential part of Pillar One and a key to achieving the objective to bring stability to the international tax system. As noted in the Overview to the Consultation Document, the MDSH is intended to "adjust the allocation of Amount A for market jurisdictions that already have existing taxing rights of the Group's residual profits." We agree that a jurisdiction should not receive an allocation of residual profits under Amount A to the extent it is already taxing the same residual profits under the transfer pricing rules and withholding taxes. Moreover, tax authorities should not be incentivized to impose new withholding taxes or make aggressive transfer pricing adjustments that go beyond an arm's length return where Amount A already ensures the allocation of an internationally agreed share of residual profit.

We welcome the application of the MDSH in the Consultation Draft to all income earned in market jurisdictions and not only the income from marketing and distribution activities. Unfortunately, the mechanics of the MDSH fall short of the mark in several fundamental ways. First, as noted above, the MDSH does not account for withholding taxes on deductible payments, which represent taxes on the residual profits of the recipient. Second, the measure of profitability used by the MDSH – return on depreciation and payroll ("RODP") or the use of the unexplained and unprincipled 40% threshold – is not connected to existing transfer pricing or economic principles, thereby frustrating the purpose of the MDSH. Third, the use of an offset percentage ("Y") of less than 100% will result in double counting and double taxation of residual profits, frustrating the purpose of the MDSH and reducing the stability of the system. Finally, the suggestions in footnotes 2 (for a de minimis profits threshold) and 3 (fallback metrics of a pure RODP) have the potential to introduce more double counting and double taxation into the system.

We recommend the following changes. First, the MDSH should account for withholding taxes in some manner, for example by converting the withholding tax collected to an equivalent amount of profit taxed at the corporate income tax rate. Second, a more conventional measure of profitability, such as a return on sales (which is used more generally to calculate Amount A), could be used instead of RODP. To the extent a cost approach is considered, the cost of intangible property (e.g., amortization) should be included in order to capture a significant base of value creation in the modern economy. Furthermore, more detailed rules are required to ensure that all relevant costs (e.g., stock-based compensation that may not be recorded to a local entity) are appropriately taken into account. Third, the Y% should be set to 100%. Fourth, the unexplained and unprincipled 40% threshold should be deleted. Fifth, consideration should be given to capping the total amount of profits allocated to market jurisdictions under Amount A and the transfer pricing rules in a formulaic way, such as a cap of no more than 25% of total

system profits, thereby removing the incentive of tax authorities to take aggressive transfer pricing positions. Sixth, the OECD should employ a process to identify and remedy other measures with similar effect (e.g., denial of deductions for payments to related parties, nexus standards below the OECD model permanent establishment rules, and excise taxes).
Finally, we regret that the work on Amount B has not progressed. A robust Amount B could help provide certainty for both market jurisdictions and taxpayers (including Covered Groups) with respect to appropriate returns from routine marketing and distribution activities, taking pressure from the interaction of the transfer pricing rules and Amount A in many cases. Linking the MDSH to Amount B, by defining residual profits for MDSH purposes as profits in excess of Amount B in the market jurisdiction, would ease the administrative burden and more closely align with the policy intent of only allocating residual profits under Amount A to the extent it is not already taxing the same residual profits under the transfer pricing rules.

Elimination of Double Taxation

The NFTC was pleased to see progress in the rules for eliminating double taxation of Amount A, which is a critical component to the work. In general, the elimination calculation is overly complex and will be burdensome to scale and administer. The requirement in Article 8 to include all jurisdictions with an elimination tax base of EUR 50 million or greater creates an additional compliance burden and unneeded complexity without furthering any stated policy objective. In addition, we believe the RODP calculation should include amortization of intangibles to better identify and measure excess returns in each jurisdiction. The calculation of Elimination Profit requires several complicated adjustments to accounting profits for every jurisdiction, including adjustments that are inconsistent with those required under Pillar Two. The complexity of these jurisdictional calculations is recognized in Pillar Two by committing to the development of safe harbors so that these calculations are not required for every jurisdiction. Pillar One should equally adopt safe harbors to mitigate the administrative burden for calculating Elimination Profit.

The absence of any required connection between the surrender jurisdiction and the market jurisdiction is unprincipled and risks creating a new tax system that is unstable and unsustainable. The rules should explicitly state that the surrendering jurisdiction, having borne the economic liability for any taxes arising from Amount A, should include any Amount A taxes as covered taxes for purposes of applying Pillar Two. Rules should also be provided for determining the currency of the Amount A allocation to each receiving jurisdiction and the currency conversion rates that should be applied to reduce complexity in implementation.

In terms of the technical operation of the elimination calculation provided for in Article 9, it would be helpful for the OECD to provide examples as to their application in realistic fact patterns. Such examples could clarify the application of the rules in cases where jurisdictions do not fall into any of the tiers in Article 9, or in cases where jurisdictions fall into multiple tiers.

National Foreign Trade Council, Inc.
1225 New York Avenue NW, Suite 650B ● Washington DC 20005-6410
Telephone: 202-887-0278

Such examples could also clarify that a relieving jurisdiction should not also be a receiving jurisdiction, or if that is not the case provide rules for dealing with such a situation.

While NFTC members generally favor an exemption method, more information is needed before we can meaningfully comment on the identification of group entities entitled to elimination of double taxation. The exemption method provides full relief from double taxation, whereas existing credit methods in various countries may not provide full relief in all circumstances. The exemption method is also simpler to administer and better aligned with the Pillar One concept of reallocating profits from one jurisdiction to another. Given the importance of eliminating double taxation on Amount A, we urge the OECD to further develop these rules and provide a meaningful opportunity for consultation. Furthermore, additional information is required regarding the need for the proposed multiplier in Art 6(6) to reduce the Elimination Profit of the Covered Group in a particular jurisdiction. Preliminary modeling suggests that a multiplier would not alter Amount A and would change tiering in limited situations.

Definition of Excluded Entity

The terms “Excluded Entity,” “Group,”, and “Group Entity” should be clarified to explicitly provide that entities deconsolidated from a UPE’s Consolidated Financial Statements are excluded from the UPE’s Group. Under financial accounting standards a UPE may exclude an entity from consolidation where it does not have management control over the entity. That may be the case as a result of political uncertainty, restrictions on repatriation, or threats of expropriation (e.g., in Venezuela and Russia). It would also be the case where the UPE does not have management control in an entity, for example in a joint venture context. Even for included joint ventures, the rules will be complicated when not all parties are in scope of Pillar One and will potentially require changes to joint venture agreements. Thus, a transition period should be provided, if the OECD includes joint ventures in the Pillar One calculations. Even where a joint venture is ‘controlled’ under financial accounting standards, joint venture agreements and local laws that protect minority partners should mitigate Pillar One concerns over joint ventures, and therefore, it seems more administratively feasible to exclude them.

Conclusion

The NFTC appreciates the opportunity to comment on the draft rules outlined in the Consultation Document and the ongoing development of Amount A. We look forward to continuing opportunities for constructive engagement.

Sincerely,

Jake Colvin
President

Appendix - List of NFTC's Board of Director Companies

ABB Incorporated
Amazon
American International Group
Amgen
Anheuser-Busch
Applied Materials
BP America Inc.
Caterpillar Inc.
Chevron Corporation
Cisco Systems, Inc.
Coca Cola Company (The)
Corning Incorporated
Dentons US LLP
DHL Express (USA) Inc.
eBay Inc.
Ernst & Young LLP
ExxonMobil Corporation
FedEx Express
Fluor Corporation
Ford Motor Company
General Electric Company
Gilead Sciences, Inc.
Google Inc.
Halliburton Company
Hanesbrands Inc.
Hewlett Packard Enterprise Company
HP Inc.
IBM Corporation
Johnson Controls
KPMG LLP
Mars Incorporated
Mayer Brown LLP
McCormick & Company, Inc.
Meta
Microsoft Corporation
Mondelēz International, Inc.
National Foreign Trade Council
Oracle Corporation
Pernod Ricard USA
Pfizer International Incorporated
Pitney Bowes
PricewaterhouseCoopers LLP
Procter & Gamble Company
Qualcomm Incorporated
Raytheon Technologies
Samsung Electronics
Schneider Electric
Siemens Corporation
Siemens Energy, Inc.
Stellantis NV
TE Connectivity
Texas Instruments
TotalEnergies
Toyota Motor North America
UPS
Visa Inc.
Walmart