Public Comment Submission

Re: RIN 3064-AG19 — Transaction-State Continuity and System Stability
Reference Submission — Transaction-State Representation, Continuity, and Lifecycle Separation

Executive Summary

This submission provides a structured, lifecycle-based perspective on transaction-state representation in the context of system stability, AML/CFT program effectiveness, and continuity across financial systems.

The framework reflects separation of non-overlapping functional roles across a transaction lifecycle and is designed to operate alongside existing financial infrastructure without modifying payment rails, altering institutional roles, or introducing a new monetary instrument.

This material is provided for informational purposes only and does not request or require agency action, response, or adoption.

I. Background and Context

This submission continues prior correspondence regarding lifecycle-based separation of transaction-related functions, including transaction-state representation, participation eligibility, and structured transaction-state continuity.

Recent regulatory developments reflect increasing complexity across multi-institution transaction environments, including intermediary participation, distributed processing, and cross-system settlement conditions.

II. Structural Perspective

The described framework reflects separation of non-overlapping functional roles, including:

transaction-state representation;
validation and eligibility determination;
transaction-state continuity; and
externally governed execution environments.

Each role produces structured, machine-readable representations of transaction-related conditions and does not perform execution, enforcement, or policy determination.

III. Continuity-State Representation and System Stability

In multi-institution transaction environments, continuity of transaction-state representation across institutional boundaries may support stability and consistency in processing outcomes.

A continuity-state representation layer may:

preserve transaction-state representation across heterogeneous systems;
maintain transaction-state continuity across representation changes;
support consistent interpretation across intermediary pathways; and
reduce divergence in transaction interpretation across institutions.

Such continuity-state representation operates independently of execution and does not modify or control downstream transaction processing.

IV. Continuity Under Operational Disruption

In environments involving multiple institutional systems, continuity of transaction-state representation may support consistency in interpretation across deposit, custody, and settlement contexts, including scenarios involving system disruption, intermediary failure, or transitions between operational environments.

Such continuity-state representation may support stability by preserving consistent transaction-state interpretation independent of system-specific representations or operational disruptions.

V. Separation from Execution and Authority

Execution, settlement, custody, and supervisory authority remain exclusively governed by existing institutional and governmental systems operating under applicable legal frameworks.

The described framework:

does not initiate, direct, control, or perform execution;
does not perform enforcement actions such as blocking, freezing, or settlement;

does not establish or modify institutional authority; and
does not introduce independent decision-making or policy determination.

The framework operates as a non-executing, informational layer supporting continuity across systems.

VI. Supervisory and Prudential Alignment

The framework may support regulatory objectives by:

enabling consistent interpretation of transaction-state across systems;
supporting traceability of transaction-state across transaction lifecycles;
enhancing continuity of compliance-relevant information; and
supporting consistency across institutional processing environments.

These characteristics may support prudential evaluation and system stability without modifying existing institutional processes.

VII. Interoperability and Non-Disruption

The framework is compatible with existing infrastructure in that it:

does not modify payment rails;
does not alter participant connectivity;
does not replace institutional processing systems; and
does not introduce operational dependencies or control mechanisms.

It is designed to operate as an upstream or parallel informational layer supporting continuity across independently governed systems.

VIII. Scope and Limitations

This submission:

is provided for informational purposes only;
does not request agency action or response;
does not propose statutory or regulatory interpretation;

does not suggest adoption, endorsement, or implementation; and
does not assert institutional authority, ownership, or control.

IX. Submission Position

This material is intended solely to support consideration of structured, lifecycle-based approaches to transaction-state representation, continuity, and system stability across evolving financial systems.

It is provided without expectation of response, engagement, or follow-up.