March 28, 2014

Via Electronic Mail (rule-comments@sec.gov)

U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-1090
Attention: Elizabeth M. Murphy, Secretary

Re: Dissemination of Asset-Level Data (File Number S7-08-10)

Dear Ms. Murphy:

The Securities Industry and Financial Markets Association[1] and the Financial Services Roundtable[2] (together, the "**Associations**") appreciate the opportunity to provide comments regarding the Commission's February 25, 2014, staff memorandum (the "**Memorandum**"),[3] suggesting that issuers might use their websites to disseminate asset-level data and other offering information to investors and potential investors, as required under the Commission's proposed offering, disclosure, and reporting requirements for asset-backed securities ("**ABS**").[4]

The Associations commend the Commission for its continuing efforts to promote more efficient and transparent ABS markets and for facilitating dialogue on its regulatory proposals.

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[1] The Securities Industry and Financial Markets Association ("**SIFMA**") brings together the shared interests of hundreds of securities firms, banks and asset managers. SIFMA's mission is to develop policies and practices which strengthen financial markets and which encourage capital availability, job creation and economic growth while building trust and confidence in the financial industry. SIFMA, with offices in New York and Washington, D.C., is the U.S. regional member of the Global Financial Markets Association.

[2] The Financial Services Roundtable ("**FSR**") represents 100 integrated financial services companies providing banking, insurance, and investment products and services to the American consumer. Member companies participate through the Chief Executive Officer and other senior executives nominated by the CEO. FSR member companies provide fuel for America's economic engine, accounting directly for $98.4 trillion in managed assets, $1.1 trillion in revenue, and 2.4 million jobs.

[3] Securities and Exchange Commission Staff Memorandum, Disclosure of Asset-Level Data (Feb. 25, 2014), *available at* http://www.sec.gov/comments/s7-08-10/s70810-258.pdf (hereinafter, "**Memorandum**").

[4] Release Nos. 33-9117; 34-61858; File No. S7-08-10, dated April 7, 2010 (the "**2010 ABS Release**"), Asset-Backed Securities, 75 Fed. Reg. 23328 (May 3, 2010). Release Nos. 33-9244; 34-64968; File No. S7-08-10, dated July 26, 2011 (the "**2011 ABS Release**"), Re-Proposal of Shelf Eligibility Conditions for Asset-Backed Securities, 76 Fed. Reg. 47948 (Aug. 5, 2011) (collectively, the "**ABS Releases**").

Although the Associations' members generally support the disclosure of asset-level data with respect to some ABS asset classes, we urge the Commission to abandon the flawed disclosure mechanism suggested in the Memorandum, which would expose both consumers and issuers to unwarranted risks and liabilities. Instead, the Commission should re-propose the ABS Releases in order to accommodate a more detailed and comprehensive reconsideration of the difficult technical, legal, and public policy concerns raised by asset-level disclosure.

I. EXECUTIVE SUMMARY

Securitization is an important financing tool that drives the economy by expanding the availability of affordable credit for consumers and employment opportunities in the finance sector. The asset-level disclosure mechanism suggested in the Memorandum would have a severely deleterious effect on the securitization market. Absent more definitive guidance from the Commission regarding how issuers may disclose asset-level information in a manner that is consistent with their regulatory obligations and without incurring undue legal liabilities and reputational risk, the Commission's proposed asset-level disclosure mechanism would discourage issuer participation in ABS offerings.

The Associations' dealer, sponsor, and issuer members[5] generally share the concern that certain asset-level information may reveal private consumer information even in the absence of obvious personal identifiers like name, address, and zip code. Any breach in the security of consumers' personal information, let alone any misuse of such information, could have severe consequences to issuers, as well as to consumers. Such potentially sensitive information must be disseminated in a manner that is consistent with issuers' legal and regulatory obligations, subject to strict controls to prevent inappropriate use or disclosure. Neither the public filing of such information on EDGAR, nor the proposal in the Memorandum, which simply shifts the hosting of the asset-level data from EDGAR to issuers' websites, meets these objectives.

The Memorandum suggests that its proposed disclosure mechanism would resolve consumer privacy concerns by enabling issuers to limit access to the most sensitive asset-level data fields (*e.g.*, by requiring investors to agree to certain terms of access and use). But the Memorandum fails to resolve the fundamental tension between this approach and the requirement that issuers disclose all material information in ABS offering documents. Neither the ABS Releases nor the Memorandum address the extent to which asset-level data would be "material" for purposes of federal securities law or how issuers could limit access to material asset-level information in compliance with the securities laws. This puts issuers in an untenable position -- the more carefully an issuer protects customer data by restricting access to its website, the more risk it bears of an investor suit for failing to disclose all material information. Such claims could come not only from investors that are denied access to the asset-level data, but also from investors unwilling to agree to the issuer's terms of use and/or unable to access the issuer's website.

[5] Please note that this letter expresses the views of the Associations' dealer, sponsor, and issuer members, but not necessarily the views of the Associations' investor members.

Conversely, an issuer that makes customer data more freely available in order to comply with securities laws faces increased consumer privacy and business risks.[6] The Memorandum's proposal not only exposes issuers to liability for improper data access or use by requiring them to disclose asset-level information in a manner that may be inconsistent with federal, state, and international privacy laws, but suggests that issuers could disclose specific credit scores, income and debt amounts in place of coded ranges, which would render the asset-level data even more susceptible to reverse engineering and misuse.

The Associations' members strongly believe that developing an appropriate asset-level disclosure mechanism requires more extensive consideration of the fundamental legal and public policy issues raised by the disclosure of asset-level information, particularly with respect to: (i) the identification of which data fields may merit enhanced protection; (ii) the extent to which alternatives to asset-level disclosure would be consistent with statutory mandates and useful to investors; and (iii) how issuers might disclose sensitive asset-level information in a manner that both is consistent with their legal obligations and protects consumers' legitimate privacy interests. Even a relatively straightforward change in disclosure requirements has the potential to significantly curtail ABS market activity. For example, when the exemption to "expert" designation previously available to credit rating agencies under Rule 436(g) was repealed by Section 939G of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**") in 2010, all public ABS issuances were paralyzed for weeks until the various issues raised by that requirement were resolved through interpretive guidance from the Staff. Balancing market transparency and consumer privacy within a complex legal framework that encompasses not only the securities laws, but also privacy and consumer protection laws overseen by numerous agencies, is an even more difficult task. A significant privacy event, regulatory interpretation under a privacy or consumer protection law, court ruling or class action settlement could effectively shut down the ABS markets at a time when maintaining the availability of credit to consumers is critical to the health of the national economy. Nor can there be any assurance that such a shutdown could be remedied by timely regulatory relief given the conflicting regulatory mandates of the various interested regulators.

We accordingly urge the Commission to re-propose the ABS Releases, including the portions relating to asset-level disclosure, in order to accommodate a more comprehensive reconsideration of these issues. Any such re-proposal should provide definitive, coordinated federal guidance as to whether an issuer's compliance with the Commission's requirements fully satisfies the other federal laws that may be implicated by the disclosure of such asset-level information. Further, because additional concerns regarding asset-level data arise in the context of cross-border ABS transactions, we also ask that the Commission give consideration to providing for a practical means of avoiding unduly burdensome costs and barriers to cross-border ABS offerings arising from compliance with differing loan-level data aggregation, dissemination and privacy requirements.

The Associations greatly appreciate the Commission's commitment to public input and collaboration and are prepared to assist the Commission in this endeavor. Because we consider

[6] Although this letter primarily discusses consumer privacy issues, the Associations' members also are concerned that personally identifiable asset-level data could be used by competitors in a manner that is adverse to issuers' business interests (*e.g.*, by soliciting consumers to refinance the securitized assets).

the consumer privacy issues raised by the ABS Releases to be of the utmost importance, we would be glad to meet with the Commission to discuss these issues in greater detail and offer our staff and members as a resource to the Commission upon request.

II. BACKGROUND

In 2010, the Commission proposed to require issuers of most ABS asset classes to disclose certain asset-level information in prospectuses and periodic reports that would be filed on the publicly accessible EDGAR system (the "**Offering and Reporting Data Files**" or the "**Data Files**"). The Offering and Reporting Data Files would include a standardized set of asset-level data points for most ABS asset classes, with additional fields required for securities backed by residential mortgages ("**RMBS**"), commercial mortgages, auto loans, auto leases, equipment loans, equipment leases, student loans, floorplan financings, corporate debt, and resecuritizations.[7]

After the Commission published its 2010 ABS Release, Congress passed the Dodd-Frank Act. Among other ABS-related provisions, Section 942(b) of the Dodd-Frank Act requires the Commission to set standards for the format of the data provided by ABS issuers. Such data, to the extent feasible, must facilitate the comparison of such data across securities in similar types of asset classes.[8] Section 942(b) also requires the Commission to require ABS issuers, at a minimum, to disclose asset- or loan-level data to the extent that such data are necessary for investors to independently perform due diligence.[9]

After considering the additional Dodd-Frank Act requirements and comments on the 2010 ABS Release, the Commission re-proposed portions of its original ABS release in July 2011. In connection with the 2011 ABS Release, the Commission solicited additional public comment on: (i) whether the asset-level information requirements included in the 2010 ABS Release would provide investors with the information required by Congress; and (ii) whether there are any alternative ways to provide the required information that may better address consumers' and issuers' privacy concerns than public disclosure on the EDGAR system.

In the Memorandum, the Commission indicates that it has reviewed the comments received and is considering one such alternative disclosure method, which would be to require issuers to make at least some asset-level information available to investors and potential investors through an issuer-maintained website, while at the same time requiring the issuer to provide the Commission with a copy of the information disclosed on the website in a non-public (*i.e.*, non-EDGAR) filing. The prospectus and periodic reports for the ABS offering would be required to include the address for the website, which would have to make the asset-level data available to investors and potential investors for at least five years, free of charge. The Commission also suggested, however, that the issuer still would be required to file certain other asset-level information on EDGAR, in order to provide the public with access to as much asset-

[7] For credit- and charge-card ABS, the Commission proposed to require "grouped account data" instead of asset-level information.

[8] 15 U.S.C. § 77g(c).

[9] *Id*.

level information as possible. The Commission suggests that this approach would enable issuers to address the privacy concerns associated with such disclosures, including by restricting access to potentially sensitive information as necessary to comply with privacy laws.

III. COMMENTS

There is broad consensus that increasing the availability of asset-level data is key to restoring investor confidence in certain ABS markets, particularly with respect to non-agency RMBS. Some securitization issuers and other market participants already make limited asset-level information available to investors and others. At the same time, however, the Commission's ABS Releases represent a dramatic departure from past industry asset-level disclosure practices, including with respect to the amount and type of asset-level information that issuers would be required to provide (particularly in connection with non-RMBS asset classes, where the utility of such information to investors may be outweighed by the consumer privacy risks, issuer liabilities, and other concerns discussed in this letter)[10] and the requirement to disclose such information in publicly accessible securities filings.

As the Commission is well aware, it often may be relatively easy -- even in the absence of obvious personal identifiers such as name, address, and zip code -- to use many of the data fields in the Data Files to associate the asset-level information with particular consumers. This is especially true to the extent that the asset-level data can be matched against other information resources (*e.g.*, public records or private databases maintained by data brokers or consumer reporting agencies). Content and formatting standards further heighten the risk of such "reverse engineering" by making it easier for data miners to amass and process large amounts of information. Determining the extent to which all or some of the asset-level data is susceptible to reverse engineering is an issue of primary importance to the creation of an appropriate disclosure framework. The Commission accordingly should undertake a more rigorous analysis of the risk that the particular data fields in the Offering and Reporting Data Files might be used to identify particular consumers. This analysis should take into account the data fields that would be required to be disclosed for various ABS asset classes, the external information that may be available in connection with each such asset class, and the mechanism(s) through which issuers would be required to make the asset-level data available to investors.

As numerous commenters already have suggested to the Commission, any asset-level data that is susceptible to reverse engineering could reveal individual consumers' financial history and current financial status, may expose consumers to increased risks of identity theft and fraud, and might be used for targeted marketing or in connection with establishing consumers' eligibility for credit, insurance, employment, or other transactions. Moreover, even in the

[10] Although the Memorandum requests comment only with respect to the proposed mechanics of disclosing asset-level data rather than to the necessity of such disclosure, we note that Congress does not appear to have considered the disclosure of asset-level data to be necessary or appropriate in the context of most (if not all) non-RMBS transactions. Specifically, a report from the Senate Committee on Banking, Housing and Urban Affairs observed with respect to Section 942 of the Dodd-Frank Act that "[t]he Committee does not expect that disclosure of data about individual borrowers would be required in cases such as securitizations of credit card or automobile loans or leases, where asset pools typically include many thousands of credit agreements, where individual loan data would not be useful to investors, and where disclosure might raise privacy concerns." Senate Report No. 111-176 at 131, *available at* http://banking.senate.gov/public/_files/Comittee_Report_S_Rept_111_176.pdf [*sic*].

absence of the intentional misuse, the Data Files contain a variety of highly sensitive personal information that consumers reasonably would not expect to be available to the general public, including not only credit scores, but also information about bankruptcies, foreclosures, job losses, and even whether the consumer has experienced marital difficulties.

For these reasons, the Associations' members strongly believe that asset-level data fields that reasonably might be associated with individual consumers should *not* be disclosed in EDGAR filings or otherwise be made accessible to the general public unless they are made available in a manner that is consistent with issuers' legal and regulatory obligations, subject to strict controls to prevent "reverse engineering" or other inappropriate use or disclosure. Neither the filing of such information on EDGAR nor the Commission's proposal to shift the hosting of some portion of the asset-level data from EDGAR to issuers' websites meets these objectives,

Although the proposal would make sensitive asset-level information somewhat less accessible to the general public, the Offering and Reporting Data Files would appear to remain available to any person who accesses the issuer's website, certifies that the person is an actual or potential investor, and agrees to the issuer's terms of access. Issuers generally would not be equipped to verify any prospective user's identity or credentials or be able to enforce compliance with the terms of access, which means that data aggregators, identity thieves, fraudsters, marketers, and other wrongdoers still might access the full range of sensitive asset-level information in the Data Files. In fact, the proposal outlined in the Memorandum actually may *increase* the risk to consumers, because requiring issuers to disclose specific credit scores, income and debt amounts in place of coded ranges would make the Offering and Reporting Data Files more susceptible to reverse engineering and abuse. The added protection of requiring users to access an issuer-maintained website does little to counterbalance this heightened risk, especially to the extent that the Data Files must be provided in a downloadable format.

The Commission's proposal imposes a number of other burdens and liabilities on issuers. For example, the proposal leaves entirely unclear to what extent an issuer could be liable to investors, consumers, or regulators if access is either granted or denied incorrectly. The proposal also increases the administrative burden on issuers by requiring the redundant reporting of identical information in multiple formats, including: (i) on EDGAR (with certain unspecified data fields omitted); (ii) on the issuer's website; and (iii) in a confidential filing with the Commission.

More fundamentally, however, neither the ABS Releases nor the Memorandum discuss whether the asset-level data would be considered "material" to investment decisions, such that issuers could be liable under the Securities Act of 1933 for restricting access to such information.[11] This puts issuers in an untenable position; the more carefully an issuer may restrict access to its website to protect customer data, the more risk it bears of an investor suit for failing to disclose all material information. Such claims could come not only from investors that are denied access to the asset-level data, but also from investors unwilling to agree to the issuer's

[11] The Memorandum leaves a number of related issues unresolved, including whether an issuer can satisfy the Rule 172 delivery standard with respect to any "material" asset-level data by providing only a reference to the website in its prospectus and whether any website log-in credentials are themselves part of the "prospectus" that must be filed on EDGAR.

terms of use and/or unable to access the issuer's website. Thus, to the extent that the Commission proposes to allocate responsibility for the dissemination of asset-level data to issuers, it must confirm whether such information will be considered "material" for purposes of the securities laws,[12] and, if so, whether the dissemination of such information in accordance with the Commission's requirements (including through the exercise of any discretionary authority to grant or deny access) is consistent with issuers' general obligation to disclose all material information in ABS offering documents.

On the other hand, issuers that make asset-level data more accessible to investors and/or the general public may face greater legal and reputational risks with respect to any breach of consumer privacy. But the Memorandum does not provide any clarity regarding whether disclosing the asset-level data as the Commission would require would be consistent with issuers' legal and regulatory obligations in that regard. Instead, the Memorandum suggests that issuers' potential direct costs will include "obtaining privacy legal advice and related potential litigation and liability." Compliance-related litigation should not be listed as a routine cost in a rule filing -- to the extent that the Commission requires issuers to disclose asset-level information in a particular manner as a necessary condition to participating in structured finance transactions, it should be incumbent upon the Commission to ensure that its requirements are consistent with issuers' other legal obligations.

Unfortunately, the proposal leaves many of these important legal and regulatory issues unresolved. For example, the Memorandum suggests that the Fair Credit Reporting Act (the "**FCRA**") "provides an exclusion" for disclosure to a person who "intends to use the information, as a potential investor … in connection with a valuation of, or an assessment of the credit or repayment risks associated with an existing credit obligation."[13] While the FCRA does provide that a *consumer reporting agency* (or "**CRA**") may provide a consumer report to a person who intends to use the report for such a purpose, it is unclear whether that "permissible purpose" is broad enough to accommodate the disclosure of consumers' personal information by an ABS issuer in public securities filings or on a generally accessible website. For example, the FCRA not only requires a CRA to adopt procedures that require prospective report users to identify themselves, certify the purpose for which the information is sought, and certify that the information will be used for no other purpose, but also requires CRAs to take affirmative steps to verify that recipients do not actually intend to use the information for unauthorized purposes (such steps may include, for example, on-site visits, reference checks, identity verification procedures, fraud control and suspicious activity analyses, and random or targeted audits).[14] It also is important to note that having a "permissible purpose" to communicate a consumer report does not mean that a disclosure of consumer information is exempt from FCRA requirements.

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[12] We note that information that may be "material" in the context of an offering involving one ABS asset class may not be material in the context of other asset classes. For example, information that may be material for RMBS offerings may not be as useful or material to investors in non-RMBS classes, particularly to the extent that there is only a limited universe of investors who have the resources to effectively analyze and use such information. Similarly, information that may be "material" to an investment in a subordinate ABS tranche may not be material to an investment in higher tranches.

[13] Memorandum, *supra* n. 2, p. 11.

[14] *See* FTC Staff Report, 40 Years of Experience with the Fair Credit Reporting Act, pp. 65, 66 (July 2011), *available at* http://www.bankersonline.com/launch/fcrainterps201107.pdf.

To the contrary, disclosing certain kinds of consumer information to a third party for a "permissible purpose" could cause an issuer to *become* a CRA, thus subjecting the issuer to a variety of burdensome regulation.[15]

Other similarly unresolved consumer privacy issues include (but are not limited to):

- The extent to which the Commission and other relevant federal regulators, including the Consumer Financial Protection Bureau (the "**CFPB**") and the Federal Trade Commission (the "**FTC**") believe that some or all of the asset-level information would be considered personally identifiable for purposes of federal (and state) law, including the Gramm-Leach-Bliley Act (the "**GLBA**"), the FCRA, the FTC Act, and state financial privacy and information security laws (*e.g.*, in California, Massachusetts, and Vermont);

- Whether an issuer's disclosure of personally identifiable information as required by the Commission falls within one or more exceptions to GLBA notice and opt-out requirements;[16]

- Even to the extent that one or more notice and opt-out exceptions apply, whether the GLBA and/or state information security laws would require issuers to maintain particular administrative, physical, and technical safeguards to protect the confidentiality and security of personally identifiable asset-level data, including whether an issuer would be required to verify the identity and qualifications of investors and others who may access the asset-level data, and how it could do so;[17]

- The extent to which the GLBA or other information security laws would prohibit investors and other recipients of the asset-level data from using or disclosing the asset-level data for business purposes other than evaluating the original investment opportunity, including in connection with re-securitizations;[18]

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[15] *See* 15 U.S.C. § 1681a(d), (f) (defining "consumer report" and "consumer reporting agency").

[16] Depending on the particulars of any given disclosure mechanism, there are a number of such GLBA exemptions that may be available to ABS sponsors, including exemptions that permit disclosures of non-public personal information: (i) necessary to effect, administer, or enforce a transaction that a consumer requests or authorizes; (ii) in connection with servicing or processing a financial product or service that a consumer requests or authorizes; (iii) in connection with a proposed or actual securitization, secondary market sale (including sales of servicing rights), or similar transaction related to a transaction of the consumer; (iv) to persons holding a legal or beneficial interest relating to the consumer; (v) to provide information to ratings agencies or persons that are assessing compliance with industry standards; (vi) to a consumer reporting agency; (vii) to respond to government regulatory authorities for examination, compliance, or other purposes as authorized by law; and/or (viii) to comply with federal, state, or local laws, rules and other applicable legal requirements. *See, e.g.,* 17 C.F.R. §§ 248.14, 248.15.

[17] *See* 17 C.F.R. § 248.30. Association members' significant concerns in this regard include the possibility that the Commission may require issuers to impose access controls on personally identifiable asset-level data that are less stringent than the issuer would impose with respect to other types of non-public personal information.

[18] The Associations' members note that asset-level data disclosed by an ABS issuer might be used in connection with a resecuritization of the original offering by an unrelated issuer. Even though the original issuer would have little to no insight into the resecuritizer's information management practices, the original issuer would face

- The extent to which the Right to Financial Privacy Act (the "**RFPA**") permits issuers to provide asset-level information to the Commission, whether in an EDGAR filing or otherwise;[19]

- For issuers or servicers that may be acting as "debt collectors" under the Fair Debt Collections Practices Act (the "**FDCPA**") with respect to a consumer obligation, whether the disclosure of asset-level information to investors or the Commission would violate the prohibition on communicating with unauthorized third parties "in connection with the collection of any debt";[20]

- Whether asset-level data disclosed to the Commission in a confidential (*i.e.*, non-EDGAR) filing would be subject to public disclosure under the Freedom of Information Act ("**FOIA**");[21]

- Whether the proposed disclosures and use of asset-level information are consistent with international privacy laws to which certain issuers may be subject, such as the E.U. Data Protection Directive; and

- The extent to which the dissemination of personally identifiable asset-level data in accordance with the Commission's requirements might be considered an unfair, deceptive, or abusive act or practice.

In light of the broad range of privacy and consumer protection laws that necessarily are implicated by *any* asset-level disclosure mechanism and the dearth of guidance on how they would apply in the context of ABS asset-level disclosures, the Associations' members believe that definitive, coordinated federal guidance -- not only from the Commission, but also from the CFPB, the FTC, and other federal regulators with consumer protection responsibilities -- is necessary in order for ABS issuers to be comfortable that compliance with the Commission's requirements is consistent with their other legal obligations.

Additional concerns arise in the context of cross-border ABS transactions. After the comment period on the 2011 ABS Release closed in October 2011, the European market moved forward with a separate approach to the aggregation and dissemination of asset-level data. Due to the global nature of our financial system, an effective securitization market requires seamless operation across borders.[22] As currently proposed, European issuers seeking to offer ABS to

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significant reputational risks in the event that any asset-level data disseminated by the resecuritizer is inappropriately used or disclosed.

[19] To the extent that an issuer is subject to the RFPA, such disclosure may be permitted under 12 U.S.C. § 3414(d), which permits a financial institution to disclose customer records pursuant to a federal statute or any rule promulgated thereunder.

[20] *See* 15 U.S.C. § 1692c(b).

[21] The Memorandum suggests that the asset-level information "would be of [a] type that would be subject to an exemption from the release of information under [FOIA]" but offers no assurances in that regard.

[22] In 2012, the Financial Stability Board instructed the International Organization of Securities Commissioners ("**IOSCO**") to conduct a consultation to review the global environment for securitization. IOSCO's final report specifically found that "[c]ross border activity is an important component of global securitization markets, and

U.S. investors and, potentially, certain U.S. issuers seeking to offer ABS to European investors, would be required to comply with non-aligned standards regarding privacy protections as well as categories and/or formats of asset-level disclosure. This would mean, for example, that investors would need to develop multiple systems for processing differently formatted data sets. Even if securitizers are able to comply with multiple sets of regulations, it is very likely that the related increased compliance costs ultimately would be passed on to consumers. This could include an increase in financing costs and a decrease in credit availability. Should this situation go unaddressed in the Commission's final ABS offering, disclosure and reporting regulations, it is possible that a significant number of securitizers would choose to avoid offering their ABS interests in cross-border transactions, which could negatively impact the U.S. market by: (i) decreasing the diversity of assets available to investors; (ii) decreasing the supply of safe assets available in the market; and (ii) impeding efficient price discovery.

IV. CONCLUSION

The asset-level disclosure mechanism described in the Memorandum is not adequate to protect consumers or ABS sponsors. While the Associations generally recognize the value of asset-level data to the investor community, their support for the required disclosure of such information necessarily is conditioned on a more complete and nuanced understanding of the Commission's position regarding the scope and nature of the asset-level disclosure obligation, including how the disclosure obligation would function within the broader context of the ABS Releases and the existing legal and regulatory framework.

The Associations' members accordingly do not feel equipped to suggest any particular alternative disclosure mechanisms to the Commission at this time. In order to do so, members would need a broad range of information that is not available in the Memorandum or the ABS Releases, including, but not limited to: (i) which data fields the Commission believes may be disclosed over EDGAR and which data fields would be subject to more limited distribution or enhanced protections; (ii) the extent to which any of the asset-level data might be considered "material" information for purposes of the securities laws; (iii) whether the Commission could offer assurances that the data fields that it would require to be disclosed on EDGAR cannot reasonably be linked to an individual consumer; (iv) the extent to which issuers could be legally responsible under privacy and/or securities laws for either providing or limiting access to asset-level data; (v) regulatory expectations with respect to user authentication, terms of access, information security, and the enforcement of contractual obligations; (vi) the extent to which the Commission still intends to require asset-level disclosure with respect to certain non-RMBS asset classes; and (vii) the views of the Commission, the CFPB, the FTC, and other regulatory authorities regarding ABS issuers' and investors' obligations under the GLBA, the FCRA, and other privacy laws.

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policy makers and regulators should be conscious of not adding to the cost of cross border activity through requirements that are duplicative of, or inconsistent with, requirements in other jurisdictions." *See* IOSCA Final Report, Global Developments in Securitisation Regulation (Nov. 16, 2012), *available at* https://www.crefc.org/uploadedFiles/CMSA_Site_Home/Global/CMSA-Europe/Newsroom/Global%20Developments%20in%20Securitisation%20Regulation.pdf (last accessed Mar. 27, 2014)

We accordingly urge the Commission to re-propose its ABS Releases, both in order to provide the financial community with additional information regarding the Commission's views on these important issues and as part of a more comprehensive reconsideration of the legal and public policy concerns raised by the disclosure of asset-level information and related matters. We also ask the Commission to take into account the markedly changed global regulatory and market landscape for ABS since the closing of the comment period for the 2011 ABS Release and give consideration to providing for a practical means of avoiding unduly burdensome costs and barriers to cross-border ABS offerings arising from compliance with differing loan-level data aggregation, dissemination and privacy requirements.

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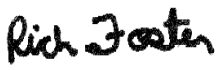
The Associations' staff and members would appreciate the opportunity to meet to discuss these issues with the Commission in more detail, and offer themselves as a resource to the Commission upon request.

Should you have questions, or desire additional clarification of the matters discussed in this letter, please do not hesitate to contact Chris Killian at 212-313-1126 or ckillian@sifma.org, or Richard Foster at Richard.Foster@FSRoundtable.org.

Sincerely,

Christopher B. Killian
Managing Director
Head of Securitization
SIFMA



Richard Foster
Vice President of Regulation
Financial Services Roundtable