

MEMORANDUM

February 23, 2017

**TO:** File No. S7-08-10

**FROM:** C. Wallace DeWitt  
Office of Acting Chairman Michael S. Piwowar

**RE:** Meeting with Structured Finance Industry Group

On February 23, 2017, Mark T. Uyeda and C. Wallace DeWitt, Senior Advisors to Acting Chairman Michael S. Piwowar, met with representatives of the Structured Finance Industry Group (“SFIG”). SFIG was represented at the meeting by Richard Johns, Executive Director, and Sairah Burki, Senior Director, ABS Policy.

The participants discussed SFIG’s comment letters filed in connection with re-opening of the comment period for the Commission’s asset-backed securities release. SFIG provided the attached summary of its comment letters to date.

Attached: “SFIG: Regulation AB II Comment Overview”

# SFIG: Regulation AB II Comment Overview

Asset Class	SEC Original Proposal	SFIG Opinion	State of Consensus	Dissenting Opinion	Other
Credit and Charge Card ABS	Proposed excluding credit and charge card ABS from asset-level requirements. Stated that level of information would result in an overwhelming volume of data that may not be useful to investors and may be cost-prohibitive for issuers. Therefore, proposed providing grouped account data lines in the prospectus and periodic reports.	Support an alternative disclosure and reporting package that builds upon the SEC's proposal but with important modifications designed to provide more extensive metrics on collateral performance without disclosing proprietary information.	100% issuer and investor consensus	While some issuers and investors expressed different preferences, all parties were ultimately able to support the proposed framework.	SFIG's proposal is designed to give investors significantly more information than has been provided historically while protecting confidentiality.  SFIG also developed credit card disclosure best practices on quarterly static pool reporting and concentration data with our Investor and Credit Card Issuer members.
Equipment Loan/Lease ABS	Proposed making asset-level requirements applicable to equipment loans and leases.	Support a disclosure and reporting package comprised of group-level information, together with enhanced pool-level information, as opposed to asset-level information.	Our issuer members and a supermajority of our investor members	The variety of assets within the sector and limited assets within a pool results in differing sensitivities regarding disclosure of information. A significant minority of investor members favored monthly loan-level disclosure and reporting. Also a dissenting issuer member believes that monthly updated pool-level statistics should be sufficient	Disclosure and reporting package includes: (1) An enhanced monthly standardized servicer summary that will be identical for all issuers and facilitate the comparison of the types of information that can be compared across programs and (2) Forms of detailed reports that would comprise group-level data reporting with enhanced pool-level reports
Equipment Floorplan ABS	Proposed making asset-level requirements applicable to equipment floorplan.	Support a disclosure and reporting package comprised of group-level information, together with enhanced pool-level information, as opposed to loan-level information.	Our issuer members and a supermajority of our investor members support a disclosure and reporting package comprised of group-level information, together with enhanced pool-level information, as opposed to loan-level information	The variety of assets within the sector and limited assets within a pool results in differing sensitivities regarding disclosure of information. A significant minority of investor members favored monthly loan-level disclosure and reporting, arguing that pool level data doesn't provide enough data for proper evaluation. Also a dissenting issuer members view that monthly updated pool-level statistics should be sufficient.	SFIG's alternative Equipment Floorplan disclosure and reporting package is similar to the Loan/Lease requirements.

Asset Class	SEC Original Proposal	SFIG Opinion	State of Consensus	Dissenting Opinion	Other
Auto Floorplan ABS	Proposed making auto floorplan ABS adhere to asset-level requirements	Support an alternative disclosure and reporting package that is grounded in the grouped account data proposal outlined by the SEC for the credit and charge card sector.	100% issuer and investor consensus	While some issuers and investors expressed different preferences, all parties were ultimately able to support the proposed framework.	Issuers were concerned that SEC proposal would result in an overwhelming amount of data, disclosure of which would jeopardize dealer relationships. Most investors thought cost of analyzing data was not worth it, and all agreed with the proposed approach as a practical compromise.
Student Loan ABS	Proposed asset-level requirements for student loan ABS ("SLABS")	SFIG's SLABS issuer and investor members achieved consensus to support loan level disclosure for student loans disclosure based upon three categories: FFELP, in-school private loans and consolidation loans.	100% issuer and investor consensus		For FFELP and In-School Private Loans, SFIG's issuer and investor members achieved consensus to recommend providing 76 and 80 specific loan level data fields, respectively. SFIG's Consolidation Loans loan level data field proposal represents the requests of our Investor Members only – as none of SFIG members, at the time of our comment letter, were issuers of SLABS backed by Consolidation Loans.