April 28, 2014

By Electronic Mail: rule-comments@sec.gov

Ms. Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Disclosure of Asset-Level Data
File No. S7-08-10; Release Nos. 34-71830; 33-9568; 33-9552; 33-9244; 33-9117

Moody’s Investors Service (“MIS”) appreciates the opportunity to provide comments to the Securities and Exchange Commission (“Commission”) regarding disclosure of asset-level data. One of the principal criticisms of the structured finance market has been the difficulty market participants have in easily accessing information relating to a particular transaction. In our view, this is a key area that requires policymakers attention in order to re-establish confidence in the structured finance markets and allow credit rating agencies (“CRAs”), investors and other interested parties access to the relevant data. We welcome the initiative of the Division of Corporate Finance (“the Division”) in addressing this concern.

MIS views the proposed new regulatory regime for the disclosure of asset-level data as an opportunity to increase transparency in the structured finance market, and we would therefore encourage the Commission to reconsider its current proposal. We are concerned that control over the information will be left to the respective issuers who may restrict access to the information to the broader market. Applied to CRAs, although hired CRAs likely would gain access to the information, non-hired CRAs likely would not have such access under the Division’s proposal. It is widely agreed that capital markets benefit from multiple credit opinions and the Commission attempted to achieve this objective through the introduction of Rule 17g-5(a)(3) published under the Securities Exchange Act of 1934 (“Rule 17g-5(a)(3)”).

1 17 CFR 240.17g-5(a)(3); see also MIS letter to the Commission regarding Release No. 34-69433; File No. 4-661, “Comments of Moody’s Investors Service to the Securities and Exchange Commission following the Credit Ratings Roundtable” (June 3, 2013), which is available on the Regulatory Affairs page at moodys.com.
MIS would suggest that the Commission consider adopting the original proposal that the asset-level data templates, appropriately “sanitized” by the Commission to ensure that the information submitted by issuers would not breach any privacy laws, should be submitted through EDGAR, giving all market participants access to the same asset-level data.

The successful implementation of this disclosure regime would give further impetus for issuers to provide more robust and accurate information to the public and would assist CRAs in retrieving regular performance information from issuers on a timely basis. Broader dissemination of information would also foster the greatest diversity of opinions from the widest range of market participants, including not just CRAs but other credit opinion providers.

We would be pleased to discuss our comments further with the Commission or its staff.

Sincerely,

[Signature]

Michael Kanef
Chief Regulatory and Compliance Officer