



April 29, 2019

Mr. Brent Fields
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090

RE: FINRA Proposed Rule Change to Create a Centralized Corporate Bond New Issue Reference Service and Amendment to Rule 6760

Dear Mr. Fields:

The Credit Roundtable¹ respectfully submits the following comments relating to FINRA's recent proposal to establish a new issue reference data service for corporate bonds and amend Rule 6760 to require underwriters to report additional data elements to what is already required. While the CRT applauds efforts to increase market transparency, we believe it is worth expressing some of our concerns with these proposed changes, some of which may have unintended consequences.

With respect to the "new" data elements specified in the FIMSAC Recommendation to FINRA, while helpful to formally have more details than less, knowing them post-trade is overall less useful. Therefore, paying a "Corporate New Issue Reference Data Fee" for this information, which could be as much as \$6,000/month for a person/organization deemed to be "retransmitting or repackaging the data for delivery and dissemination to any outside person or organization in any way", could be a considerable additional expense for some of our Members to bear and makes it less justified.

And with respect to the proposed new data elements, of more significance to investors (but considered "Voluntary" in your proposal) would be the "Rating" field. From a client/portfolio/benchmark guidelines as well as risk perspective, it is important for investors to know what the official credit ratings of a new issue are and most helpful to have before the new issue settles. This has become more challenging given the deteriorating timeliness of the rating agencies in providing them, as evidenced by a recent decision by one of the agencies to discontinue its practice of at least providing "Expected Ratings" in the interim. We would welcome FINRA's encouragement of a more timely and orderly process by the rating agencies here in the hopes of making that "Rating" data element mandatory.

Lastly, the CRT would like to have more clarity on the process by which underwriters are expected to disclose these required new issue data elements, since it could affect the timing of their executing the first transaction of the offering when it's free to trade. As these new data elements would be required additional information, the CRT wants to ensure minimal, if any, delay in the underwriters' ability to support the new issue by making markets as soon as possible. This is critical to the efficient/effective functioning of the corporate debt capital markets.

¹ Formed in 2007, The Credit Roundtable ("CRT"), organized in association with the Fixed Income Forum, is a group of large institutional fixed income managers including investment advisors, insurance companies, pension funds, and mutual fund firms, responsible for investing more than \$3.8 trillion of assets. The Credit Roundtable advocates for creditor rights through education and outreach and works to improve fixed income corporate actions, ineffective covenants, and the underwriting and distribution of corporate debt. Its mission is to improve risk assessment and management through education and seeks to benefit all bond market participants through increasing transparency, market efficiency, and liquidity.

We appreciate you taking these comments under consideration. We'd welcome the opportunity for members of The Credit Roundtable to participate in future discussions regarding the refinement of this proposal, as we are very supportive of stated goals of improving transparency and promoting efficient markets. Thank you for your time and consideration.

Kind Regards,

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