

January 2013

The Credit Roundtable (CRT) addressed key issues affecting investment grade bondholders in 2012, making our presence felt through dialogue with regulators, public commentary and advocacy in legal proceedings. We met twice during the year and held monthly calls on topics raised by members, and plan to maintain this schedule in 2013. Our membership remains steady, with 30 active members at year end responsible for investing more than \$3.8 trillion of fixed income assets.

**Highlights of 2012 include:**

- Two successful in-person meetings—one in Washington, DC in the Spring and a Fall meeting in Chicago. Agenda items included:
  - Discussion with international insolvency and restructuring experts to understand the risks associated with foreign bankruptcy processes
  - Revisiting the status of systemic resolution proceedings and “living wills” under Dodd-Frank with senior representatives of the FDIC
  - An update from SEC Commissioner (now Chairman) Elisse Walter and Division of Corporation Finance Director Meredith Cross on the status of Dodd-Frank rulemaking
  - A roundtable discussion with senior corporate treasurers to understand their debt and capitalization strategies in the current low interest rate environment
  - Speaking with leaders in leveraged finance banking and investing regarding the prospects for future LBOs
  - Monitoring the adoption of White Paper covenants in investment grade bonds
- Filing an ad-hoc amicus brief in the antitrust case of CompuCredit v. Akanthos, which challenged the formation of bondholder groups
- Filing a comment letter with FINRA regarding its TRACE dissemination proposal
- Filing a Volcker Rule comment letter signed by 25 CRT and Fixed Income Forum members
- Meetings with senior Federal Reserve, Treasury and SEC staff to discuss Volcker Rule concerns
- Monthly calls addressing timely topics such as liability management strategies, debt tenders and trends in new-issue covenants

**2013 Goals and Plans**

Plans thus far for the coming year include:

- Filing a letter with the FDIC and other regulators seeking clarification on its Orderly Liquidation Authority under Dodd-Frank and engaging on an ongoing basis with banking regulators
- Organizing an annual summit with the sellside and regulators on matters of common concern
- Reviewing our White Paper on Model Covenants for possible revisions and enhancements to improve its adoption and effectiveness
- Conducting successful Fall and Spring Credit Roundtable meetings
- Identifying future key initiatives for the group
- Holding value-adding monthly conference calls for members

Since its formation in 2007, the Credit Roundtable has focused on preserving and enhancing bondholder rights, through advocacy, education, and action. These efforts, taken on behalf of our clients, are paying real dividends.

**Institutional Investor**

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The Credit Roundtable has become a well known and respected organization to which regulators are reaching out for our thoughts and input on proposed rules and regulations.

Active and involved members are critical to strengthening the group in the coming year. As a volunteer organization, we are doing this on behalf of our firms and our clients and look to members for ideas and agenda items for monthly calls and roundtable meetings.

The membership fee this year will remain at \$4,000, which pays for legal fees associated with Credit Roundtable projects, as well as meeting and administrative costs. An antitrust lawyer, currently working pro bono, participates in all calls and meetings. A group of in-house lawyers at member firms has provided valuable input on comment letters and other initiatives and helped keep outside legal costs down.

The Advisory Board of the Credit Roundtable welcomes your support and involvement. We would be happy to speak with you directly about the benefits of membership. Thank you, and best wishes for a prosperous 2013.

Co-leaders

Chris Gootkind

Loomis Sayles

Adam Rubinson

Dodge & Cox

### ***Credit Roundtable Advisory Board***

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