

MEMO# 21365

July 17, 2007

SEC Allows Existing Credit Rating Agencies to Act as NRSROs

[21365]

July 17, 2007

TO: CLOSED-END INVESTMENT COMPANY MEMBERS No. 42-07
ETF ADVISORY COMMITTEE No. 25-07
FIXED-INCOME ADVISORY COMMITTEE No. 15-07
INST. MONEY MARKET FUNDS ADVISORY COMMITTEE No. 18-07
MONEY MARKET FUNDS ADVISORY COMMITTEE No. 18-07
SEC RULES MEMBERS No. 86-07
UNIT INVESTMENT TRUST MEMBERS No. 14-07 RE: SEC ALLOWS EXISTING CREDIT RATING AGENCIES TO ACT AS NRSROS

The Securities and Exchange Commission recently announced that each of the credit rating agencies previously identified as a nationally recognized statistical rating organization ("NRSRO") [1] has applied to be registered with the Commission as an NRSRO under the Credit Rating Agency Reform Act of 2006. [2] The SEC staff had previously issued a no-action letter to each of these firms identifying it as an NRSRO. As a result, the Commission has allowed these firms to continue to represent themselves or act as NRSROs during Commission consideration of their application.

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Associate Counsel

endnotes

[1] See "Credit Rating Agencies Apply for Registration as Nationally Recognized Statistical Rating Organizations," SEC Press Release (June 28, 2007), available on the SEC's website at <http://sec.gov/news/press/2007/2007-124.htm>. The firms are A.M. Best Company, Inc.,

DBRS, Fitch, Inc., Japan Credit Rating Agency, Ltd., Moody's Investors Service, Rating and Investment Information, Inc., and Standard and Poor's Ratings Services.

[2] For an overview of the SEC's rules implementing provisions of the Credit Rating Agency Reform Act, see [Memorandum](#) to Closed-End Investment Company Members No. 37-07, ETF Advisory Committee No. 22-07, Fixed-Income Advisory Committee No. 14-07, Inst. Money Market Funds Advisory Committee No. 15-07, Money Market Funds Advisory Committee No. 14-07, SEC Rules Members No. 64-07, and Unit Investment Trust Members No. 13-07, dated June 18, 2007 [21273].

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