

## NEWS RELEASE

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# ICI Applauds Senate Banking Committee Passage of Credit Ratings Agency Bill, August 2006

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Washington, DC, August 2, 2006 – The Investment Company Institute issued the following statement today on the Senate Banking Committee’s passage of the [Credit Rating Agency Reform Act of 2006](#).

“We commend the Committee for passing credit rating agency reform legislation that enhances the transparency of the ratings process and paves the way for increased competition in the industry. The bill appropriately enhances the efficiency of the capital markets and provides vital shareholder protections by requiring firms to publicly disclose their procedures and methodologies, how they address conflicts of interest, and their organizational structures.

“The Institute and its members have a longstanding interest in credit ratings. Mutual funds employ credit ratings in a variety of ways – to help make investment decisions, to define investment strategies, to communicate with their shareholders about credit risk, and to inform the process for valuing securities. Most significantly for Institute members is the role of credit ratings in the operation of money market mutual funds, which currently have some \$2.1 trillion in assets.

We thank the Committee for its work and look forward to consideration of the bill by the full Senate.”