



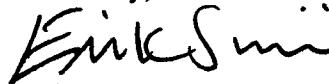
Mr. Neal E. Sullivan  
May 21, 2007  
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## CONCLUSION

Based on the foregoing, the Division will not recommend enforcement action to the Commission if R&I is considered by broker-dealers to be a “nationally recognized statistical rating organization” for purposes of applying the relevant provisions of Exchange Act Rule 15c3-1. This position is conditioned on R&I not representing in any of its ratings, marketing, or similar literature that the Commission considers R&I to be recognized as an NRSRO. The statutory provisions of the Rating Agency Act prohibit reliance on Commission staff no-action letters identifying NRSROs, and these provisions become effective on the earlier of June 26, 2007 (270 days after the date of enactment of the Rating Agency Act) or the date the Commission issues final rules under the Rating Agency Act.<sup>3</sup> However, no-action letters may continue to be relied upon by regulatory users of credit ratings if the firm identified in the letter has a pending application for registration before the Commission; in this case, the letter becomes void after the Commission has acted on the application.<sup>4</sup>

You should understand that the position expressed in this letter is a staff position with respect to enforcement only and does not purport to express any legal conclusion on this matter or any application you may submit pursuant to the Rating Agency Act. The Division’s position is confined to the facts as R&I has represented them. Any material change in these facts may warrant a different result and should be brought to the Division’s attention.

Sincerely,



Erik R. Sirri  
Director

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<sup>3</sup> Section 15E(p) of the Exchange Act.

<sup>4</sup> Section 15E(l)(2) of the Exchange Act.