

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-62784]

Notice Regarding the Requirement to Use eXtensible Business Reporting Language Format to Make Publicly Available the Information Required Pursuant to Rule 17g-2(d) of the Exchange Act

AGENCY: Securities and Exchange Commission (“Commission”).

ACTION: Notice.

SUMMARY: The Commission is providing notice that the List of XBRL Tags for NRSRO’s (“List of XBRL Tags”) to be used for the ratings history disclosure requirements in paragraph (d) of Rule 17g-2 has been published on the Commission’s Internet Web site. An NRSRO subject to the disclosure provisions of paragraph (d) of Rule 17g-2 shall make this information available in an interactive data file on its corporate Internet Web site in XBRL format using the List of XBRL Tags beginning no later than 60 days after the publication of this Notice in the Federal Register.

DATES: The date an NRSRO is required to begin using an XBRL format and the List of XBRL Tags for the purpose of Rule 17g-2(d) is [insert date that is 60 days after publication].

FOR FURTHER INFORMATION CONTACT: Michael A. Macchiaroli, Associate Director, at (202) 551-5525; Thomas K. McGowan, Deputy Associate Director, at (202) 551-5521; Randall W. Roy, Assistant Director, at (202) 551-5522; Raymond A. Lombardo, Branch Chief, at (202) 551-5755; or Rebekah E. Goshorn, Attorney, at (202), 551-5514; Division of Trading and Markets, Securities and Exchange Commission; 100 F Street, NE, Washington, DC 20549-7010.

SUPPLEMENTARY INFORMATION:

The Credit Rating Agency Reform Act of 2006 (“Rating Agency Act”)¹ defined the term “nationally recognized statistical rating organization” (“NRSRO”) and provided authority for the Securities and Exchange Commission (“Commission”) to implement registration, recordkeeping, financial reporting, and oversight rules with respect to registered credit rating agencies. The regulations implemented by the Commission pursuant to this mandate include Securities Exchange Act of 1934 (“Exchange Act”) Rule 17g-2,² which requires an NRSRO to make and retain certain records relating to its business and to retain certain other business records made in the normal course of business operations. The Commission adopted Rule 17g-2 and the amendments thereto, in part, under authority to require NRSROs to make and keep for specified periods such records as the Commission prescribes as necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Exchange Act.³

On February 2, 2009, the Commission adopted amendments to its NRSRO rules imposing additional requirements on NRSROs in order to address concerns about the integrity of their credit rating procedures and methodologies.⁴ Among other things, the rule amendments added new paragraph (a)(8) and paragraph (d) (now paragraph (d)(2)) to Rule 17g-2. Paragraph (a)(8) of Rule 17g-2 requires an NRSRO to make and retain a record for each outstanding credit rating it maintains showing all rating actions (initial rating, upgrades, downgrades, placements on watch for upgrade or downgrade, and withdrawals) and the date of such actions identified by the name of the security or obligor rated and, if applicable, the CUSIP for the rated security or

¹ Public Law 109-291 (2006).

² 17 CFR 240.17g-2.

³ See Section 17(a)(1) of the Exchange Act (15 U.S.C. 78q(a)(1))

⁴ See Amendments to Rules for Nationally Recognized Statistical Rating Organizations, Exchange Act Release No. 59342 (February 2, 2009), 74 FR 6456 (“February 2009 Adopting Release”).

the Central Index Key (CIK) number for the rated obligor.⁵ Paragraph (d)(2) of Rule 17g-2 requires an NRSRO to make publicly available, on a six-month delayed basis, the ratings histories for a random sample of 10% of the credit ratings paid for by the obligor being rated or by the issuer, underwriter, or sponsor of the security being rated (“issuer-paid credit ratings”) pursuant to paragraph (a)(8) of Rule 17g-2 for each class of credit rating for which the NRSRO is registered and has issued 500 or more issuer-paid credit ratings.⁶

Paragraph (d)(2) of Rule 17g-2 further requires that this information be made public on the NRSRO’s corporate Internet Web site in eXtensible Business Reporting Language (“XBRL”) format.⁷ The rule provides that in preparing the XBRL disclosure, an NRSRO must use the List of XBRL Tags as specified on the Commission’s Internet Web site.⁸ The Commission established a compliance date of August 10, 2009 for this provision. On August 5, 2009, the Commission provided notice that an NRSRO subject to the disclosure provisions of paragraph (d) (now paragraph (d)(2)) of Rule 17g-2 could satisfy the requirement to make publicly available ratings history information in an XBRL format by using an XBRL format or any other machine-readable format, until such time as the Commission provides further notice.⁹ The Commission today is providing notice that a List of XBRL Tags has been published on the Commission’s Internet web site and that NRSROs shall commence publishing the information required by Rule 17g-2(d)(2) in XBRL format using the List of the XBRL Tags beginning no later than [insert date that is 60 days after publication].

⁵ 17 CFR 240.17g-2(a)(8).

⁶ 17 CFR 240.17g-2(d).

⁷ Id.

⁸ Id. The February 2009 Adopting Release specified a compliance date of 180 days after publication in the Federal Register.

⁹ See Securities Exchange Release No. 60451 (August 5, 2009) 74 FR 40246 (August 11, 2009) (“August 5, 2009 Notice”).

On November 23, 2009, the Commission further amended Rule 17g-2 to add paragraph (d)(3), which requires that an NRSRO must make publicly available on its corporate Internet Web site ratings action histories for all credit ratings initially determined on or after June 26, 2007 in an interactive data file that uses a machine-readable format.¹⁰ In the case of issuer-paid credit ratings, each new ratings action is required to be reflected in such publicly disclosed histories no later than twelve months after it is taken; in the case of ratings actions that are not issuer-paid, each new ratings action is required to be reflected no later than twenty-four months after it is taken.¹¹ Rule 17g-2(d)(3) provides that an NRSRO may use any machine-readable format to make this data publicly available until 60 days after the date on which the Commission publishes a List of XBRL Tags for NRSROs on its Internet Web site, at which point the NRSRO is required to make the information available in XBRL format using the List of XBRL Tags for NRSROs as published by the Commission on its Internet Web site.¹² Today, the Commission is providing notice that the List of XBRL Tags has been published on the Commission's Internet Web site.¹³

The publication of the List of XBRL Tags on the Commission's Internet Web site automatically triggers the 60 day time frame for compliance with Rule 17(g)(2)(d)(3) using an XBRL format. However, for purposes of establishing a uniform compliance date for Rule 17g-2(d)(2) and Rule 17g-2(d)(3), the Commission will require that NRSROs make the information

¹⁰ See Securities Exchange Release No. 61050 (November 23, 2009) 74 FR 63831 (December 4, 2009) (“November 2009 Adopting Release”).

¹¹ See November 2009 Adopting Release at 63834.

¹² See November 2009 Adopting Release at 63834.

¹³ See List of XBRL Tags available at [website url].

required under Rule 17g-2(d)(3) available on its corporate website in XBRL format using the List of XBRL Tags beginning no later than [insert date that is 60 days after publication].

The relief provided by the August 5, 2009 Notice is superseded by this Notice.

By the Commission.

Elizabeth M. Murphy
Secretary

Date: August 27, 2010