

SECURITIES AND EXCHANGE COMMISSION
Release No. 34-82787

February 27, 2018

Order Granting an Extension of Time to File Audited Financial Statements of DBRS Ratings Limited in Accordance With Exchange Act Rule 17g-3(a)(1)

I. Introduction

Rule 17g-3(a)(1) of the Securities Exchange Act of 1934 (“Exchange Act”) requires a nationally recognized statistical rating organization (“NRSRO”) to annually, not more than ninety (90) calendar days after the end of its fiscal year, file audited financial statements with the Securities and Exchange Commission (“Commission”). Exchange Act Rule 17g-3(c) authorizes the Commission to grant an extension of time with respect to any requirements of Exchange Act Rule 17g-3 on the written request of an NRSRO if the Commission finds that such extension is necessary or appropriate in the public interest and consistent with the protection of investors.

II. Extension Request of DBRS, Inc.

DBRS, Inc. (“DBRS”) is a credit rating agency registered with the Commission as an NRSRO under Section 15E of the Exchange Act for the classes of credit ratings described in clauses (i) through (v) of Section 3(a)(62)(A) of the Exchange Act. On January 8, 2018, DBRS submitted a written request to the Commission for an extension until April 6, 2018 of the deadline to file the audited financial statements of DBRS Ratings Limited (“DBRS UK”), an affiliate of DBRS that was added as a credit rating affiliate of DBRS during the 2017 fiscal year.¹ DBRS indicated in its request that the financial reports of DBRS UK will not be prepared in tandem with those of DBRS and its other credit rating affiliates under its current reporting calendar for the 2017 fiscal year. DBRS stated that it intends to file the financial reports for

¹ DBRS filed an amended Form NRSRO on July 14, 2017 which, among other things, added DBRS UK as a credit rating affiliate on Item 3 of Form NRSRO.

DBRS and its credit rating affiliates other than DBRS UK by February 28, 2018, the deadline for filing financial statements pursuant to Exchange Act Rule 17g-3(a)(1),² and will subsequently provide the financial reports for DBRS UK by April 6, 2018.

III. Discussion

An NRSRO is required to file audited financial statements with the Commission annually in accordance with Exchange Act Rule 17g-3(a)(1). The Commission, when adopting Exchange Act Rule 17g-3(a)(1), noted that such audited financial statements are “prepared to assist the Commission in carrying out its oversight responsibilities with respect to monitoring the financial resources of NRSROs and not as a disclosure item for public consumption” and the reports are not required to be made public.³ Pursuant to Exchange Act Rule 17g-3(e), an NRSRO may request confidential treatment of the audited financial statements in accordance with Commission rules.⁴

The Commission believes that granting DBRS the requested extension of time to file the audited financial statements of one of its credit rating affiliates, DBRS UK, will not impair the ability of Commission staff to monitor the financial resources of the NRSRO. Commission staff will have adequate time to review the audited financial statements of DBRS UK as part of an examination of DBRS conducted in accordance with Section 15E(p)(3) of the Exchange Act if the financial statements are filed by the expiration of the requested extension period.

Further, Commission staff will be able to review the audited financial statements of DBRS and its two other credit rating affiliates, DBRS Limited and DBRS Ratings Mexico,

² The fiscal year of DBRS and its credit rating affiliates ended on November 30, 2017. February 28, 2018 is ninety (90) calendar days following such date.

³ Oversight of Credit Rating Agencies Registered as Nationally Recognized Statistical Rating Organizations, Release No. 34-55857 (June 5, 2007), 72 FR 33564, 33591 (June 18, 2007).

⁴ 17 C.F.R. § 240.17g-3(e).

Institucion Calificadora de Valores, S.A. de C.V., as to which no filing extension is being requested. In addition, since the audited financial statements filed pursuant to Exchange Act Rule 17g-3(a)(1) are not made publicly available, an extension of the filing deadline would not impact the information available to users of credit ratings.

For the foregoing reasons, the Commission finds that it is appropriate in the public interest and consistent with the protection of investors to grant the extension of time requested by DBRS.

IV. Conclusion

Accordingly, pursuant to Exchange Act Rule 17g-3(c),

IT IS HEREBY ORDERED that DBRS is granted an extension of time until April 6, 2018 to file with the Commission in accordance with Exchange Act Rule 17g-3(a)(1) the audited financial statements of DBRS UK for the fiscal year ended November 30, 2017.

By the Commission.

Brent J. Fields
Secretary