

**SECURITIES AND EXCHANGE COMMISSION**  
**Release No. 34-95243**

**July 11, 2022**

**Order Granting Registration of Demotech, Inc. as a Nationally Recognized Statistical Rating Organization**

**I. Introduction**

Section 15E(a)(1)(A) of the Securities Exchange Act of 1934 (“Exchange Act”) requires a credit rating agency that elects to be treated as a nationally recognized statistical rating organization (“NRSRO”) for purposes of the Exchange Act to furnish to the Securities and Exchange Commission (“Commission”) an application for registration, in such form as the Commission requires and containing the information described in Section 15E(a)(1)(B). Exchange Act Rule 17g-1(a) requires a credit rating agency applying to register as an NRSRO under Section 15E to file with the Commission two paper copies of an application on Form NRSRO that follows all applicable instructions for the Form.

Section 15E(a)(2)(C) of the Exchange Act requires the Commission to grant registration under Section 15E(a): (1) if the Commission finds that the requirements of Section 15E are satisfied; and (2) unless the Commission finds that: (a) the applicant does not have adequate financial and managerial resources to consistently produce credit ratings with integrity and to materially comply with the procedures and methodologies disclosed under Section 15E(a)(1)(B) and with Section 15E(g), (h), (i), and (j); or (b) if the applicant were so registered, its registration would be subject to suspension or revocation under Section 15E(d).

**II. Application of Demotech, Inc.**

On April 11, 2022, Demotech, Inc. (“Demotech”), a credit rating agency, filed with the Commission an application on Form NRSRO for registration as an NRSRO under Section 15E of the Exchange Act for the class of credit ratings described in clause (ii) of Section 3(a)(62)(B) of

the Exchange Act (“insurance companies”). Since 1989, Demotech has issued, on a non-NRSRO basis, credit ratings in the insurance companies rating class.

### **III. Discussion**

Demotech’s application is in the form required by Section 15E(a)(1)(A) of the Exchange Act and Rule 17g-1(a) thereunder, follows the applicable instructions for Form NRSRO, and satisfies the requirements described in Section 15E(a)(1)(B) and Rule 17g-1(a) of the Exchange Act. The Commission, pursuant to Section 15E(a)(2)(C)(i) of the Exchange Act, finds that the information in Demotech’s application satisfies the requirements of Section 15E of the Exchange Act. Based on the review of the information in Demotech’s application, the Commission does not find grounds that would require it to deny registration pursuant to Section 15E(a)(2)(C)(ii).

### **IV. Conclusion**

Accordingly, pursuant to Section 15E(a)(2) of the Exchange Act,

IT IS HEREBY ORDERED that the registration of Demotech, Inc. with the Commission as a nationally recognized statistical rating organization under Section 15E of the Exchange Act for the class of credit ratings described under clause (ii) of Section 3(a)(62)(A) of the Exchange Act is granted.

By the Commission.

J. Matthew DeLesDernier  
Assistant Secretary