



**SUNTRUST
ROBINSON HUMPHREY**

July 21, 2008

Via Electronic Mail

Jill M. Peterson
Assistant Secretary
Securities & Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Rule-comments@sec.gov

**Re: Proposed Rules for Nationally Recognized
Statistical Rating Organizations
SEC File No. S7-13-08**

Dear Assistant Secretary Peterson:

SunTrust Robinson Humphrey submits this letter in response to the Securities and Exchange Commission's ("SEC") request for comment on its "Proposed Rules for Nationally Recognized Statistical Rating Organizations" ("Proposed Rules" and "NRSROs") published in the Federal Register on June 25, 2008.¹

SunTrust Robinson Humphrey is a member of the Commercial Mortgage Securities Association ("CMSA"), the global trade organization for commercial real estate capital market finance. SunTrust Robinson Humphrey agrees with and supports the comments submitted by CMSA, and we submit this letter directly to express our strong opposition to the Commission's proposed rule Section 240.17g-7(b) to differentiate ratings for structured finance using symbology or a "boilerplate" report, which the Commission concludes will not be used by the rating agencies. SunTrust Robinson Humphrey believes that the CMSA recommendations in support of broader transparency about the potential risk characteristics of the rated bond pools and the underlying rating methodology that is being employed in determining rating assessments would much more squarely address our investor informational needs without creating the downside risks created by differentiated ratings.

SunTrust Robinson Humphrey also is concerned about the impact that certain changes to the ratings classifications could have at this time. Accordingly, SunTrust Robinson Humphrey strongly believes that replacing or modifying the existing ratings' structure could make the structured products markets even more volatile by adding to investor confusion, and such action should be avoided. Moreover, investors would be forced to revise their investment policies to incorporate the new rating structure, and to develop

¹ 73 Fed. Reg. 36212-36252 (June 25, 2008).

new analytical and monitoring infrastructure to interpret the new ratings, adding cost and potentially further eroding liquidity.

If the alternative new reporting requirement to “describe how the credit ratings procedures and methodologies and credit risk characteristics for structured finance products differ from those of other types of instruments such as corporate and municipal debt” is maintained, the SEC should clarify that such reports must be tailored for each structured finance ‘asset’ class to make such reports meaningful. However, there remain many logistical issues and serious questions about the application of such a report and how all market participants will react. These issues could be prevented by avoiding differentiation – through symbology or a report – and instead providing targeted information about the specific rating under consideration.

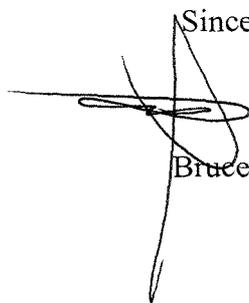
Likewise, despite the wealth of valuable information the rating agencies provide in the CMBS market, SunTrust Robinson Humphrey believes that CMSA’s expanded NRSRO transparency recommendations – which are intended to build on rather than replace information that currently is being provided – would better benefit the investor community the ratings are intended to serve.

Ultimately, SunTrust Robinson Humphrey believes that new and targeted disclosure will benefit all of the CMBS market participants and that such enhanced transparency would be far preferable to the imposition of an arbitrary and misleading differentiated rating scheme for structured finance products. We urge the Commission to remove 240.17g-7(b) from the final rule to alleviate confusion and enhance confidence in our markets. Thank you for providing SunTrust Robinson Humphrey with the opportunity to submit these comments

Ultimately, SunTrust Robinson Humphrey believes that new and targeted disclosure will benefit all of the CMBS market participants and that such enhanced transparency would be far preferable to the imposition of an arbitrary and misleading differentiated rating scheme for structured finance products. We urge the Commission to remove 240.17g-7(b) from the final rule to alleviate confusion and enhance confidence in our markets.

Thank you for providing SunTrust Robinson Humphrey with the opportunity to submit these comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Bruce Goldstein". The signature is stylized with a large, sweeping loop on the left side and a vertical line extending downwards from the right side.

Bruce Goldstein