



DIVISION OF
MARKET REGULATION

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

May 21, 2007

Mr. Neal E. Sullivan
Bingham McCutchen LLP
2020 K Street NW
Washington, DC 20006-1806

Re: Rating and Investment Information, Inc.

Dear Mr. Sullivan:

This responds to the request of your client, Rating and Investment Information, Inc. ("R&I"), that the Division of Market Regulation ("Division") provide R&I with written assurance that it will not recommend enforcement action to the Securities and Exchange Commission ("Commission") against broker-dealers that consider credit ratings issued by R&I to be credit ratings from a nationally recognized statistical rating organization ("NRSRO") for purposes of the net capital rule, Rule 15c3-1 under the Securities Exchange Act of 1934 ("Exchange Act") (17 CFR 240.15c3-1).

In light of the provisions of the Credit Rating Agency Reform Act of 2006 ("Rating Agency Act"),¹ the staff requested, and R&I submitted, among other things, at least 10 certifications from entities that represented that they meet the definition of a qualified institutional buyer, as defined in Rule 144A under the Securities Act of 1933² and representing that they have "seriously considered" the credit ratings of R&I in the course of making investment decisions for at least the past three years. At least two of these entities represented that they relied on R&I's ratings for each of the five categories of credit ratings listed as part of the definition of NRSRO in Section 3(a)(62)(B) of the Exchange Act, as added by the Rating Agency Act.

In addition, R&I submitted certain financial statements and information concerning the number of, qualifications of, and salaries of R&I's credit analysts. R&I also provided the staff with information regarding its code of conduct and its credit rating process and its policies and procedures regarding conflicts of interest, the protection of nonpublic information, and compliance with applicable laws. R&I has posted its code of conduct and a description of its ratings methodologies on the English language version of its Web site.

¹ Pub. L. No. 109-291.

² 17 CFR 230.144A.

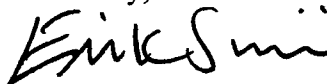
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CONCLUSION

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.³ 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.⁴

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

³ Section 15E(p) of the Exchange Act.

⁴ Section 15E(l)(2) of the Exchange Act.