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July 25, 2008

Via electronic mail

Ms. Florence E. Harmon
Acting Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090

Re: Proposed Rules for Nationally Recognized Statistical Rating Organizations
Release No. 34-57967, File No. S7-13-08

Dear Ms. Harmon:

Schroder Investment Management North America Inc. ("Schroders") is pleased to have the opportunity to comment on the rules relating to Nationally Recognized Statistical Rating Organizations ("NRSROs") that were proposed by the Securities and Exchange Commission (the "Commission") on June 17, 2008. Schroders is a registered investment adviser with approximately \$35 billion assets under management. It is an indirect, wholly-owned subsidiary of Schroders plc, a company listed on the London Stock Exchange, which through its subsidiaries, manages assets of approximately \$259.6 billion in the aggregate.

Schroders supports the comment letter submitted by the Securities Industry and Financial Markets Association ("SIFMA") and would like to specifically note our strong support for the views expressed in that letter relating to proposed Rule 17g-7. The Commission states that its purpose in proposing the rule was to "address concerns that certain investors assumed the risk characteristics for structured finance products, particularly highly rated instruments, were the same as for other types of similarly rated instruments." We believe that the proposal -- requiring that each time a NRSRO publishes a credit rating for a structured product it is required to publish a report describing how the credit rating procedures and methodologies and credit risk characteristics for structured finance products differ from those of other types of rated instruments -- addresses this concern in a meaningful and useful manner. It is the Commission's proposal to exempt NRSROs from this requirement if the NRSRO elects to add a rating modifier to its rating symbols that we do not support.

It is our position that ratings issued by NRSROs are most useful to investors when they are comparable and express the same degree of risk, whether the credit is a corporate, sovereign, municipal or structured product. If the NRSRO believes it is appropriate to

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convey a different level of risk associated with a particular structured product because it may react more negatively in different market conditions than other debt instruments, or for any other reason, then the NRSRO should change the rating.

We believe that simply adding a rating modifier does little to assist the typical purchaser, who is sophisticated and already understands that structured products differ from other types of debt instruments, in understanding the precise methodologies used by the NRSRO to rate the issue. Permitting the NRSRO to avoid publishing the useful information required by part (a) of the proposed Rule by simply providing the unhelpful modifier, as permitted by part (b) of the proposed Rule, appears to undermine the very purpose of part (a), namely, addressing the pressing need for transparency of the NRSRO's rating methodology so that market participants can make a well-informed, independent evaluation of investment risk.

Thank you for your consideration of our views. If you have any questions, please feel free to call me at 212-641-3957.

Sincerely yours,



Jack Davis
Head of Fixed Income Research