



## SEC Approves Measures to Strengthen Oversight of Credit Rating Agencies

**FOR IMMEDIATE RELEASE**  
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*Washington, D.C., Dec. 3, 2008* — The Securities and Exchange Commission today approved a series of measures to increase transparency and accountability at credit rating agencies, and ensure that firms provide more meaningful ratings and greater disclosure to investors.

The new measures impose additional requirements on credit rating agencies, whose ratings of residential mortgage-backed securities backed by subprime mortgage loans and of collateralized debt obligations linked to subprime loans contributed to the recent turmoil in the credit markets. The SEC also proposed additional measures related to transparency and competition concerning credit rating agencies. The SEC's actions were informed by the agency's [extensive 10-month examination of three major credit rating agencies](#) that found significant weaknesses in ratings practices.

"These comprehensive rules touch every aspect of the credit rating process – from conflicts of interest, to publication of ratings methodologies, to disclosure of ratings track records," said SEC Chairman Christopher Cox. "The SEC's examinations of credit rating agencies uncovered serious deficiencies that these rules will address, so that investors and markets will have better information to guide investment decisions."

This is the second set of credit rating agency reforms since the SEC received its new regulatory authority from Congress to register and oversee credit rating agencies. The initial rules were implemented by the Commission under the Credit Rating Agency Reform Act in June 2007. The regulatory program established through the Credit Rating Agency Reform Act allows the SEC to promulgate rules regarding public disclosure, recordkeeping and financial reporting, and substantive requirements to ensure that credit rating agencies conduct their activities with integrity and impartiality.

Public comments on the new proposed amendments must be received by the Commission within 45 days after their publication in the *Federal Register*.

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The full text of the final rule amendments and proposed rule amendments will be posted to the SEC Web site as soon as possible.

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### Video: Open Meeting



*Chairman Cox discusses credit rating agency reforms to help investors.*

[Windows Media Player](#)  
[QuickTime](#)

[Fact Sheet with additional details about the SEC's actions](#)

[\*http://www.sec.gov/news/press/2008/2008-284.htm\*](http://www.sec.gov/news/press/2008/2008-284.htm)

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