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THIRD DISTRICT, NEW JERSEY
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JOINT ECONOMIC COMMITTEE
CHAIRMAN
RESOURCES COMMITTEE
SUBCOMMITTEES:
FISHERIES AND OCEANS
NATIONAL PARKS



ARMED SERVICES COMMITTEE
SUBCOMMITTEES:
TERRORISM, UNCONVENTIONAL
THREATS AND CAPABILITIES
CHAIRMAN
PROJECTION FORCES
MILITARY PERSONNEL

U.S. House of Representatives

Washington, DC 20515

May 24, 2005

In regards to: Complaint filed on behalf of defaulted creditors of the Government of China, alleging misleading sovereign credit ratings and inadequate disclosure pertaining to the offer, sale and trading of debt securities of the People's Republic of China including violations of international law

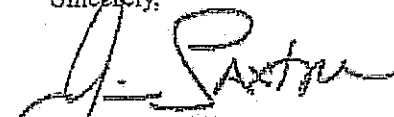
Mr. William H. Donaldson, Chairman
U.S. Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

Dear Chairman Donaldson:

I am writing to you in reference to the Complaint (dated March 31, 2005) filed with the Division of Market Regulation, alleging that the Nationally Recognized Statistical Rating Organizations (NRSROs) assigned inappropriate and misleading sovereign credit ratings to the long-term foreign currency debt of the People's Republic of China. Furthermore, the Complaint alleges that the NRSROs should reclassify the sovereign credit ratings of the People's Republic of China.

Since the SEC's Division of Market Regulation regulates the NRSROs, I request that the SEC review the very serious allegations contained in this Complaint in considering a formal investigation. Please keep me informed on the status of this Complaint. I look forward to learning the results. Thank you for your prompt attention to this matter.

Sincerely,


Jim Saxton, Chairman
Joint Economic Committee

cc: Mr. Michael Macchieroli, Associate Director
SEC Division of Market Regulation

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