

**JIM SAXTON**  
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 Macchiaroli, Associate Director  
SEC Division of Market Regulation