

March 12th, 2007

Nancy M. Morris
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Ref: File Number S7-04-07

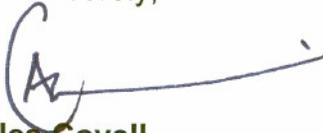
Dear Ms. Morris:

We write to comment on Proposed Rule 17g-6 implementing certain provisions of the Credit Rating Agency Reform Act of 2006 (the "Act") concerning prohibited unfair, coercive, or abusive practices.

We agree that the Commission is correct in addressing the practice of "notching" and we therefore support its prohibition under the Proposed Rule 17g-6. However, we believe that the 85% threshold proposed in (a)(4) of that Proposed Rule is too high, and that a more appropriate level would be 66.6%.

If left at the higher level we do not believe that the practice of "notching" will be adequately addressed.

Yours Sincerely,



Charles Covell
Executive Vice President
Citigroup Alternative Investments