

## Structured Finance Credit Rating Scale and Definitions

ICAP CRIF has adopted the following Credit Rating scale and definitions for the assignment of Credit Ratings to Structured Finance Instruments.

Low Credit Risk					Medium Credit Risk				High Credit Risk				Extreme Risk		
AAA <sub>SF</sub>		AA <sub>SF</sub>		A <sub>SF</sub>	BBB <sub>SF</sub>		BB <sub>SF</sub>		B <sub>SF</sub>		CCC <sub>SF</sub>		CC <sub>SF</sub>		C <sub>SF</sub>
AAA <sub>SF</sub> <sup>-</sup>	AAA <sub>SF</sub> <sup>+</sup>	AA <sub>SF</sub> <sup>-</sup>	AA <sub>SF</sub> <sup>+</sup>	A <sub>SF</sub> <sup>-</sup>	BBB <sub>SF</sub> <sup>+</sup>	BBB <sub>SF</sub> <sup>-</sup>	BB <sub>SF</sub> <sup>+</sup>	BB <sub>SF</sub> <sup>-</sup>	B <sub>SF</sub> <sup>+</sup>	B <sub>SF</sub> <sup>-</sup>	CCC <sub>SF</sub> <sup>+</sup>	CCC <sub>SF</sub> <sup>-</sup>	-	-	-

**AAA<sub>SF</sub>**: likelihood of timely and full payment of obligations extremely strong, effect of external adverse shock extremely small

**AA<sub>SF</sub>**: likelihood of timely and full payment of obligations very strong, effect of external adverse shock very small

**A<sub>SF</sub>**: likelihood of timely and full payment of obligations quite strong, effect of external adverse shock quite small

**BBB<sub>SF</sub>**: likelihood of timely and full payment of obligations advancing effect of external adverse shock moderate

**BB<sub>SF</sub>**: likelihood of timely and full payment of obligations moderate, effect of external and internal adverse shock moderate

**B<sub>SF</sub>**: likelihood of timely and full payment of obligations weak, effect of internal or external adverse shock strong

**CCC<sub>SF</sub>**: likelihood of timely and full payment of obligations very weak, effect of internal or external adverse shock very strong

**CC<sub>SF</sub>**: likelihood of timely and full payment of obligations extremely weak, effect of internal or external adverse shock very strong

**C<sub>SF</sub>**: likelihood of timely and full payment of obligations remote, effect of internal or external adverse shock extremely strong