

CORPORATE DEBT INSTRUMENTS
Rating Scale and Recovery-based Notching

The rating scale for Corporate Debt Instruments follows existing ICAP CRIF corporate grades and elaborates by introducing interim notches between grades according to the following table.

Low Credit Risk						Medium Credit Risk						High Credit Risk							
AAA		AA		A		BBB		BB		B		CCC		CC		C		D	
	AAA-	AA+	AA-	A+	A-	BBB+	BBB-	BB+	BB-	B+	B-	CCC+	CCC-	CC+	CC-	C+	C-	D+	

The following debt instrument rating definitions are designed to be consistent both with the ICAP CRIF corporate rating definitions and the maintained assumptions on benchmark recovery rates:

AAA	Indicates the lowest credit risk and it is assigned to instruments that are able to honour their obligations even under severe distressed conditions and therefore their credit worthiness is expected to continue to be very high. Instruments rated with AAA are issued by corporates characterized by exceptional financial strength, very strong business growth and important market position, while bearing recovery prospects robustly approaching 100%.
AAA-	Indicates the lowest credit risk and it is assigned to instruments that are able to honour their obligations even under severe distressed conditions and therefore their credit worthiness is expected to continue to be very high. Instruments rated with AAA- are issued by corporates characterized by exceptional financial strength, very strong business growth and important market position, while bearing recovery prospects confidently approaching 100% with very positive view.
AA+	Indicates very low credit risk and it is assigned to instruments that are able to honour their obligations even under severe distressed conditions and therefore their credit worthiness is expected to continue to be high. Instruments rated with AA+ are issued by corporates characterized by very strong financials, strong business growth and important market position, while bearing recovery prospects confidently approaching 100% with positive view.
AA	Indicates very low credit risk and it is assigned to instruments that are able to honour their obligations even under severe distressed conditions and therefore their credit worthiness is expected to continue to be high. Instruments rated with AA are issued by corporates characterized by very strong financials, strong business growth and important market position, while bearing recovery prospects confidently approaching 100%.

AA-	Indicates very low credit risk and it is assigned to instruments that are able to honour their obligations even under severe distressed conditions and therefore their credit worthiness is expected to continue to be high. Instruments rated with AA- are issued by corporates characterized by very strong financials, strong business growth and important market position, while bearing recovery prospects robustly placed in the top quartile of the recovery rate scale with very positive view.
A+	Indicates very low credit risk and it is assigned to instruments that are likely to be affected very marginally by severe distressed conditions and therefore their credit worthiness is expected to continue to be relatively high. Instruments rated with A+ are issued by corporates characterized by significant financial strength, stable business growth and competitive market position, while bearing recovery prospects robustly placed in the top quartile of the recovery rate scale with positive view.
A	Indicates very low credit risk and it is assigned to instruments that are likely to be affected very marginally by severe distressed conditions and therefore their credit worthiness is expected to continue to be relatively high. Instruments rated with A are issued by corporates characterized by significant financial strength, stable business growth and competitive market position, while bearing recovery prospects robustly placed in the top quartile of the recovery rate scale.
A-	Indicates very low credit risk and it is assigned to instruments that are likely to be affected very marginally by severe distressed conditions and their credit worthiness is expected to continue to be relatively high. Instruments rated with A- are issued by corporates characterized by significant financial strength, stable business growth and competitive market position, while bearing recovery prospects robustly placed in the upper middle quartile of the recovery rate scale with very positive view.
BBB+	Indicates low credit risk and it is assigned to instruments that are likely to be affected slightly by severe distressed conditions and therefore their credit worthiness is expected to continue to be relatively stable. Instruments rated with BBB+ are issued by corporates characterized by satisfactory financial strength, stable business growth and relatively competitive market position, while bearing recovery prospects robustly placed in the upper middle quartile of the recovery rate scale with positive view.
BBB	Indicates low credit risk and it is assigned to instruments that are likely to be affected slightly by severe distressed conditions and therefore their credit worthiness is expected to continue to be relatively stable. Instruments rated with BBB are issued by corporates characterized by satisfactory financial strength, stable business growth and relatively competitive market position, while bearing recovery prospects robustly placed in the upper middle quartile of the recovery rate scale.

BBB-	Indicates low credit risk and it is assigned to instruments that are likely to be affected slightly by severe distressed conditions and therefore their credit worthiness is expected to be relatively stable. Instruments rated BBB- are issued by corporates characterized by satisfactory financial strength, stable business growth, relatively competitive market position, while bearing recovery prospects robustly placed in the upper end of the lower middle quartile of the recovery rate scale with very positive view.
BB+	Indicates moderate credit risk and it is assigned to instruments that are sensitive to market and economic conditions and therefore their credit worthiness is expected to be relatively stable. Instruments rated with BB+ are issued by corporates characterized by moderate financial strength, stable business level and relatively declining competitive market position, while bearing recovery prospects robustly placed in the upper end of the lower middle quartile of the recovery rate scale with positive view.
BB	Indicates moderate credit risk and it is assigned to instruments that are sensitive to market and economic conditions and therefore their credit worthiness is expected to continue to be relatively stable. Instruments rated with BB are issued by corporates characterized by moderate financial strength, stable business level and relatively declining competitive market position, while bearing recovery prospects robustly placed in the upper end of the lower middle quartile of the recovery rate scale.
BB-	Indicates moderate credit risk and it is assigned to instruments that are sensitive to market and economic conditions and therefore their credit worthiness is expected to be relatively stable. Instruments with BB- are issued by corporates characterized by moderate financial strength, stable business level and relatively declining competitive market position, while bearing recovery prospects confidently placed in the upper end of the lower middle quartile of the recovery rate scale with very positive view.
B+	Indicates relatively increased credit risk and it is assigned to instruments that are rather sensitive to market and economic conditions. Instruments rated with B+ are issued by corporates characterized by below average financial strength, negative business growth and declining competitive market position, while bearing recovery prospects confidently placed in the upper end of the lower middle quartile of the recovery rate scale with positive view.
B	Indicates relatively increased credit risk and it is assigned to instruments that are rather sensitive to market and economic conditions. Instruments rated with B are issued by corporates characterized by below average financial strength, negative business growth and declining competitive market position, while bearing recovery prospects confidently placed in the upper end of the lower middle quartile of the recovery rate scale.

B-	Indicates relatively increased credit risk and it is assigned to instruments that are rather sensitive to market and economic conditions. Instruments rated with B- are issued by corporates characterized by below average financial strength, negative business growth and declining competitive market position, while bearing recovery prospects placed in the lower end of the lower middle quartile of the recovery rate scale with very positive view.
CCC+	Indicates increased credit risk and it is assigned to instruments that are very sensitive to market and economic conditions. Instruments rated with CCC+ are issued by corporates characterized by low financial strength, substantially negative business growth and low competitive market position, while bearing recovery prospects placed in the lower end of the lower middle quartile of the recovery rate scale with positive view.
CCC	Indicates increased credit risk and it is assigned to instruments that are very sensitive to market and economic conditions. Instruments rated with CCC are issued by corporates characterized by low financial strength, substantially negative business growth and low competitive market position, while bearing recovery prospects placed in the lower end of the lower middle quartile of the recovery rate scale.
CCC-	Indicates increased credit risk and it is assigned to instruments that are very sensitive to market and economic conditions. Instruments rated with CCC- are issued by corporates characterized by low financial strength, substantially negative business growth and low competitive market position, while bearing recovery prospects placed around the borderline between the lower middle and the lowest quartile of the recovery rate scale with very positive view.
CC+	Indicates significantly increased credit risk and it is assigned to instruments that have or are very likely to have in the short term a difficulty in honouring their financial obligation. Instruments rated with CC+ are issued by corporates characterized by significantly low financial strength and competitive market position, while bearing recovery prospects placed around the borderline between the lower middle and the lowest quartile of the recovery rate scale with positive view.
CC	Indicates significantly increased credit risk and it is assigned to instruments that have or are very likely to have in the short term a difficulty in honouring their financial obligation. Instruments rated with CC are issued by corporates characterized by significantly low financial strength and competitive market position, while bearing recovery prospects placed around the borderline between the lower middle and the lowest quartile of the recovery rate scale.

CC-	Indicates significantly increased credit risk and it is assigned to instruments that have or are very likely to have in the short term a difficulty in honouring their financial obligation. Instruments rated with CC- are issued by corporates characterized by significantly low financial strength and competitive market position, while bearing recovery prospects placed in the centre of the lowest quartile of the recovery rate scale with very positive view.
C+	Indicates very high credit risk and it is assigned to instruments with significant problems in honouring their financial obligation. Instruments rated with C+ are issued by corporates characterized by encumbered financial strength that put in jeopardy their business, while bearing recovery prospects placed in the centre of the lowest quartile of the recovery rate scale with positive view.
C	Indicates very high credit risk and it is assigned to instruments with significant problems in honouring their financial obligation. Instruments rated with C are issued by corporates characterized by encumbered financial strength that put in jeopardy their business, while bearing recovery prospects placed in the centre of the lowest quartile of the recovery rate scale.
C-	Indicates very high credit risk and it is assigned to instruments with significant problems in honouring their financial obligation. Instruments rated with C- are issued by corporates characterized by encumbered financial strength that put in jeopardy their business, while bearing recovery prospects placed in the bottom of the lowest quartile of the recovery rate scale with very positive view.
D+	Indicates the highest credit risk and it is assigned to instruments with very significant problems in honouring their financial obligation. Instruments rated with D+ are issued by corporates characterized by extremely encumbered financial strength that put in significantly jeopardy their business, while bearing recovery prospects placed in the bottom of the lowest quartile of the recovery rate scale with positive view.
D	Indicates the highest credit risk and it is assigned to instruments with very significant problems in honouring their financial obligation. Instruments rated with D are issued by corporates characterized by extremely encumbered financial strength that put in significantly jeopardy their business, while bearing recovery prospects placed in the bottom of the lowest quartile of the recovery rate scale.
N.R.	The NR indicates that the Issuer does not satisfy the minimum data requirements concern the Debt Instrument or the data quality is assessed poor.
N.T.	The NT indicates that Issuer is not able to pay its credit obligations, or the Debt Instrument's specific default clauses are enforced.