Credit Fund Rating Scale

I. Purpose and Scope

This Credit Fund Global Rating Scale (Rating Scale) defines how DBRS rates credit funds and applies to all DBRS Analytical Personnel globally. It should be read in conjunction with all other applicable policies and procedures that DBRS has related to ratings.

II. Overview

This Rating Scale is used by DBRS globally and gives an indication of the average default probability of a portfolio of corporate credits held in a fund. The rating only addresses the credit quality of the portfolio.

Every DBRS rating, as well as every credit fund rating, is based on quantitative and qualitative considerations relevant to the fund. Apart from the AAA-cf rating category, each other rating category is denoted by the subcategories high and low. The absence of either a high or low designation indicates that the rating is in the middle of the category.

III. Scale

AAA-cf  The fund portfolio is considered to be of the highest credit quality.
AA-cf   The fund portfolio is considered to be of a superior credit quality.
A-cf    The fund portfolio is considered to be of a good credit quality.
BBB-cf  The fund portfolio is considered to be of an adequate credit quality.
BB-cf   The fund portfolio is considered to be of a speculative, non-investment-grade credit quality.
B-cf    The fund portfolio is considered to be of a highly speculative credit quality.
CCC-cf  The fund portfolio is considered to be of a very highly speculative credit quality.
CC-cf   The fund portfolio is considered to be of a very highly speculative credit quality, and generally holds assets that are likely to default with some prospect of recovery.
C-cf    The fund portfolio is considered to be of a very highly speculative credit quality, and generally holds assets that are likely to default with little prospect of recovery.

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