

Scope Hamburg GmbH

**Basic Principles for Assigning  
Credit Ratings and  
Other Services**

2 May 2022

# Contents

<b>Introduction</b>	<b>2</b>
<b>Regulatory Distinction Between Ratings</b>	<b>3</b>
<b>Rating Process</b>	<b>4</b>
<b>Rating Categories and Identifiers</b>	<b>7</b>
<b>Other indicators and suffixes</b>	<b>11</b>
<b>Credit Rating Actions</b>	<b>12</b>

## **Appendices**

Appendix 1	Definitions
Appendix 2	Categories for Ratings and Other Services
Appendix 3	Identifiers, Prefixes and Suffixes for Rating Categories
Appendix 4	Disclaimer

# Introduction

Scope Hamburg GmbH (henceforth "SH" or "the Agency") is publishing this document so that companies, investors and other interested members of the business community are able to understand SH's credit rating approach and processes that it uses.

Scope Hamburg GmbH is registered as a credit rating agency in the European Union pursuant to Regulation (EC) No 1060/2009 (as amended) (the "CRA Regulation"). SH is therefore subject to supervision by the European Securities and Markets Authority (ESMA) and is recognised as an external credit assessment institution (ECAI) under Regulation (EU) 575/2013 on prudential requirements for credit institutions and investment firms. The CRA Regulation contains provisions intended to prevent or mitigate actual and potential conflicts of interest and enhance the integrity, transparency, good governance and independence of credit rating activities.

Under the CRA Regulation, financial institutions, insurance companies and other market participants (i.e. institutional investors), may use credit ratings, which are issued or endorsed by EU registered credit rating agencies for regulatory purposes (i.e. for the specific purpose of complying with EU law or with EU law as implemented by national legislation of the EU member states). On the basis of its registration, SH can issue credit ratings that can be used for those regulatory purposes.

**CREDIT RATINGS ISSUED BY SH ARE SH'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND SH'S PUBLICATIONS MAY INCLUDE SH'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES. SH DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL, FINANCIAL OBLIGATIONS AS THEY COME DUE AND, IN THE CASE OF ISSUANCE-LEVEL CREDIT RATINGS, ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY.**

A SH credit rating is expressed by using an established and defined ranking system. Credit ratings are not recommendations to buy, sell or hold securities of any kind. SH currently assigns ratings in the asset class of corporate ratings including issuer-level ratings and issuance-level rating,

The analytical approach used in determining the rating level is described in the appropriate published credit rating methodologies (see [www.scopehamburg.de/en/about-us/our-methods](http://www.scopehamburg.de/en/about-us/our-methods)).

In addition to regulated credit ratings, SH also offers other permissible services, including credit estimates and preliminary analyses. These are not regulated credit ratings and cannot be used for EU regulatory purposes.

# Regulatory Distinction Between Ratings

One of the requirements for a regulated credit rating is that it is disclosed on a non-selective basis and in a timely manner. SH's regulated credit ratings are disclosed either on its website or distributed by subscription via SH's Rating Portal.

The CRA Regulation defines private credit ratings as credit ratings “produced pursuant to an individual order and provided exclusively to the person who placed the order” that “are not intended for public disclosure or distribution by subscription” and are subject to a duty of confidentiality and limitations on distribution (as set out below). Private credit ratings may not be used for regulatory purposes in certain jurisdictions, including in the European Union. Customers are not authorised to publish private credit ratings or distribute them by subscription. Customers may only use private credit ratings for internal purposes and, with SH's consent, share them with a limited number of third parties on a strictly confidential basis as long as the sharing is not tantamount to public disclosure or distribution by subscription.

	RATING*	
Type	PUBLIC	PRIVATE
Disclosed on	SH website	Rating Portal
Regulation	REGULATED	EXEMPT
Methodology	Regulated methodology	(Regulated) methodology
Monitoring	Mandatory	Optional

SH carries out credit rating processes in which representatives of the rated entity directly or indirectly send SH a request to assign a credit rating. In this case, the ratings are considered solicited as defined in the CRA Regulation. Credit ratings can also be issued without being initiated by the rated entity. In this case, the ratings are considered unsolicited as defined in the CRA Regulation.

Unsolicited credit ratings can sometimes be issued solely on the basis of publicly available information. In other circumstances, SH may also rely on the participation of the rated entity.

For solicited credit ratings, the rated entity generally provides its internal information as well. SH will only assign a credit rating if it believes the information base is of sufficient quality and from reliable sources.

# Rating Process

## Overview

The following table describes the usual steps of the SH credit rating process.

Rating process	
A	Receipt of documentation and analysis
B	Site visit or conference call where applicable
C	Creation of draft rating report and proposed rating
D	Rating committee meeting and determination of credit rating
E	Submission of credit rating and the rating rationale to the rated entity and, where applicable, the customer
F	Rated entity points out any factual errors that may have been made and/or inadvertent inclusion of confidential information, if applicable
G	Possible consideration of comments on factual errors or inadvertent inclusion of confidential information submitted by rated entity
H	Completion and submission of the credit rating report to the rated entity and the customer where applicable
I	Publication/dissemination
J	Monitoring

The credit analysis is the same for both solicited and unsolicited credit ratings.

The credit rating process at SH is organised by an appointed lead analyst. If the rating has been solicited, the customer must also name a contact person who will be available during the rating process.

Once the requested documents have been received, they are analysed by the lead analyst or project team (if applicable). Additional information is requested as needed. The lead analyst or project team (if applicable), may also draw up a list of questions for individual aspects of the analysis that can be given to the entity to be rated and/or customer to prepare for a site visit or conference call.

Once the available information has been analysed, the lead analyst or project team (if applicable), prepares the draft report and proposes a rating level. The rating proposal is then presented to the rating committee for determination on the basis of the draft report and any additional explanations offered by the lead analyst. The rating committee is the sole forum for assigning credit ratings and outlooks.

The draft rating report is submitted to the rated entity and/or its agent after the rating committee. The rated entity or its agent must be notified at least 24 hours in advance (within the rated entity's business hours) of the possible publication/dissemination of the rating and its rationale. During

this period, the rated entity has an opportunity to point out any factual inaccuracies and/or inadvertent inclusion of confidential information to SH. The rated entity's submissions on factual inaccuracies perceived by the rated entity are given consideration. In exceptionally rare circumstances, a modified report will have to be submitted to the rating committee for determination whether submissions made by the rated entity justify a change to the credit rating. A statement explaining whether the credit rating was amended due to the rated entity's input is included in the rating report. The final rating report is submitted to the customer and the credit rating is published/disseminated along with the rating rationale.

The regulated credit rating can be disclosed to the public at large or disseminated to subscribers. In the former case, the rating and its rationale are published on the SH website. In the latter case, the credit rating is disseminated on the Rating Portal that is only accessible to registered subscribers for a fee.

Once a credit rating is published/disseminated on the website/portal, it is subject to monitoring.

The purpose is to ensure that credit ratings are constantly monitored in order to identify any material changes that might impact the credit rating/outlook and ensure the continued validity of the published rating level. The customer is obligated to disclose any developments that might impact the credit rating/outlook during the monitoring period.

Where required, the lead analyst will individually determine the information to be provided on a regular basis and the deadlines for providing this information.

A credit rating can be upgraded, downgraded, have its outlook status changed, put on the watch list or withdrawn during the monitoring period. All such decisions are made by a rating committee.

If a credit rating or a rating outlook is changed during the monitoring process, the action will also be communicated to the rated entity or, where applicable, customer for comment at least one full business day in advance during business hours. After expiry of the notification period, the rating and/or outlook action will be disclosed as described above.

SH has the discretionary right and/or duty to withdraw credit ratings, including in circumstances where SH determines to be unable to maintain the rating. Reasons why SH might withdraw a credit rating may include, but are not limited to:

- if the information is incorrect or insufficient to effectively assess the creditworthiness of the rated entity during monitoring or as part of a rating review; in this case, the CRA Regulation requires the credit rating agency to withdraw the rating;
- default of the rated entity;
- substantial structural changes that cause the rated entity to differ substantially from the rated entity before the changes (for example,

- due to merger, acquisition, discontinuation of significant divisions, structural or contractual changes);
- (early) repayment of the underlying financing;

In this case, the rated entity and/or its agent will be notified at least one full business day in advance about the withdrawal of the rating.

Withdrawn ratings are denoted by a "withdrawn" identifier and remain published on SH's website and/or Rating Portal for a 12-month period after the withdrawal, and are deleted after this period.

Where the solicitation with respect to a given rating has been withdrawn, the rating can be converted into an unsolicited rating if SH believes that the rating has a sufficient information base and might be of interest to market participants.

A status change to "watch" is communicated to the rated entity and/or its agent and published on the SH website or disseminated on the Rating Portal. Adding "watch" to a credit rating does not necessarily imply that the rating level will change. In addition, credit ratings can be upgraded, downgraded or withdrawn without first being placed on "watch".

# Rating Categories and Identifiers

## Rating Categories and Identifiers

This section presents Scope Hamburg GmbH Credit Rating terms and definitions.

These terms apply to Credit Ratings produced by Scope Hamburg GmbH including the asset classes of Corporates and Project Finance.

## Main Credit Rating definitions

Scope Hamburg's opinions on creditworthiness addresses timely payment, or expected loss, of financial obligations, as defined in the respective Credit Rating methodology.

## Credit Ratings assigned to an issuer

### Credit Rating terms:

- Issuer Rating
- Short-Term Issuer Rating
- Issuer Rating (foreign currency)
- Short-Term Issuer Rating (foreign currency)

*Note: Credit Ratings refer to the relative creditworthiness of the issuer in its local currency unless mentioned otherwise.*

## Credit Rating definitions

- Issuer Ratings assigned on the long-term Credit Rating scale are forward-looking opinions on the relative creditworthiness of an issuer's ability and willingness, to repay its financial obligations when due and with an original maturity of one year or more. For the long-term credit rating scale see Appendix 1.
- Short-Term Issuer Ratings assigned on the short-term Credit Rating scale are forward-looking opinions on the relative creditworthiness of an issuer's ability and willingness, to repay its financial obligations when due, typically within 12 months. For the short-term credit rating scale see Appendix 1.

## Ratings in default

### Default definition

Default – Scope Hamburg considers the following events as constituting a default:

- failure to pay a coupon or principal payment on the due date and after a grace period specified under the instrument's terms and conditions<sup>1</sup>,
- as applicable, supervisory action such as bank resolution, liquidation, insolvency proceedings of the debt issuer or

---

<sup>1</sup> Typically, not longer than 90 days

moratorium resulting in debt non-payment or debt restructuring, and

- any distressed debt exchange or debt swap, including unilateral or coercive currency redenomination or restructuring, leading to avoiding a failure to pay, regardless of whether it leads to more-favourable terms.

For the avoidance of doubt, Scope Hamburg does not consider the following to constitute a default: i) technical default triggered by force majeure ii) non-payment of interest if such deferral is permitted under the terms and conditions of the securities.

Default status – Upon the occurrence of a default, as per above, a Credit Rating is in a default status. The following sections indicate Credit Ratings assigned upon such status.

### Credit Rating of issuers in default

Scope Hamburg assigns a ‘D’ or ‘SD’ Credit Rating to issuer Credit Ratings in a default status and b) debt categories with at least one instrument in a default status in that debt category.

<b>D</b>	Default Credit Ratings.
<b>SD</b>	Selective Default Credit Ratings are assigned at issuer level and debt category level, where one specific class or currency of several but not all issuances of an issuer is defaulted. A ‘SD’ issuer Credit Rating is assigned, when an issuer has selectively defaulted on certain debt obligations but not all. Such selective default can be the consequence of a forced debt restructuring (e.g. distressed debt exchange or creditor bail in) with an aim of avoiding bankruptcy. A SD at issuer level is not automatically triggered by the write-down or conversion of bank capital instruments that have a hybrid role in a bank’s capital structure.

### Credit Rating of debt instruments in default

<b>B-</b>	Default with extremely high level of expected recovery with extremely high certainty.
<b>CCC</b>	Default with very high level of expected recovery with very high certainty.
<b>CC</b>	Default with average to high level of expected recovery and high certainty.
<b>C</b>	Default with above average expected recovery and/or average certainty.
<b>D</b>	Default with average to low or no expected recovery and/or high uncertainty.

Typically, only secured debt instruments with high quality collateral, or debt instruments experiencing non-payment on a relatively minor amount

are expected to be rated above D while in default. Under exceptional circumstances and in instances where a default is likely to be temporary and is associated with exceptionally high recovery expectations with an extremely degree of certainty, Scope Hamburg may assign a Credit Rating higher than B- to a debt instrument in default.

The above section must be read in conjunction with Scope Hamburg's respective methodologies.

### **Credit Ratings assigned to debt instruments**

**The Credit Rating term** describes the type of debt rated by ScopeHamburg. Common Credit Rating terms are:

- Debt Rating
- Debt Issuance Program Rating
- Senior Secured Debt Rating
- Senior Unsecured Debt Rating
- Preferred Senior Unsecured Debt Rating
- Non-Preferred Senior Unsecured Debt Rating
- Subordinated Debt Rating
- Subordinated Debt (Hybrid) Ratings
- Tier 2 Capital Securities Rating
- Additional Tier 1 Capital Securities Rating
- Short-Term Debt Rating

***Note:** Credit Ratings refer to the relative creditworthiness, as further defined in the relevant Credit Rating methodologies, of the issuer and debt instrument in its local currency unless mentioned otherwise.*

### **Credit Rating definitions:**

- **Debt Ratings** are assigned on Scope Hamburg's **long-term** Credit Rating scale to a debt instrument.
- **Debt Issuance Program Ratings** are assigned to issuers issuing ratings under a pre-established debt issuance program.
- **Senior Secured Debt Ratings** are assigned to debt, secured by a lien against collateral, that has priority over unsecured debt in case of resolution or insolvency.
- **Senior Unsecured Debt Ratings** are assigned to debt, that has priority over other unsecured debt in case of an insolvency and does not benefit from security over a collateral.
- **Preferred Senior Unsecured Debt Ratings** are assigned to debt, not secured by collateral, that has priority over other unsecured debt in case of resolution or insolvency in jurisdictions which have defined non-preferred senior unsecured debt.

- **Non-Preferred Senior Unsecured Debt Ratings** are assigned to senior debt, not secured by collateral, that ranks below preferred senior debt and above subordinated debt in resolution or insolvency.
- **Subordinated Debt Ratings** are assigned to unsecured subordinated debt which ranks lower to senior debt in case of resolution or insolvency.
- **Subordinated Debt (Hybrid) Ratings** are assigned to hybrid subordinated debt which ranks lower to senior debt in case of resolution or insolvency.
- **Tier 2 Capital Securities Ratings** are assigned to debt qualifying as Tier 2 capital as defined under current bank capital regulations.
- **Additional Tier 1 Capital Securities Ratings** are assigned to debt qualifying as Tier 1 capital as defined under current bank capital regulations.
- **Short-Term Debt Ratings** assigned on Scope Hamburg's **short-term** Credit Rating scale are forward-looking opinions on the relative creditworthiness of debt instruments. Short-Term Debt Ratings are assigned to short term debt instrument with a maturity of not more than 12 months.

**Other:**

- **Recoveries** address amounts to be recovered following a default or a default-like event. Recovery definitions are specific to the different sectors as described, where relevant, in Scope Hamburg's respective methodologies. Scope Hamburg's Idealised Tables providing the idealised probability of default and idealised expected loss, generally consistent with a given rating level over a given risk horizon, are available in excel format at [www.scoperatings.com](http://www.scoperatings.com).

## Other indicators and suffixes

### **Preliminary Credit Ratings prefix (P)**

Preliminary Credit Ratings are identified with the prefix (P) and assigned in advance of the issuance of the debt. Scope Hamburg will only assign a preliminary Credit Rating on future issues where it expects to assign a new Credit Rating, subject to the debt issuance being finalised. A new Credit Rating is assigned following the review of the final documentation and if the latter differs materially from the preliminary documentation, it may differ from the preliminary credit rating. Scope Hamburg generally expects a preliminary Credit Rating to be converted into a new Credit Rating or withdrawn within 6 months of it being assigned.

### **Unsolicited Credit Ratings (color code)**

According to regulatory requirements, “unsolicited credit ratings” must be colour coded to indicate whether the rating was issued with the participation of the rated entity or a related third party and whether the credit rating agency has access to internal information. SH colour codes unsolicited, non-participating ratings using orange.

### **Withdrawn (WD)**

Withdraw (WD) indicates a Credit Rating assigned by Scope Hamburg to an instrument which has subsequently been withdrawn due to i) such instrument having reached its final maturity or the debt is redeemed prior to its final maturity, called, prefunded or cancelled or ii) a business decision taken by Scope Hamburg or iii) to lack of sufficient information required to maintain the rating.

### **Credit Estimates (est)**

Credit Estimates are identified by the suffix “est” (e.g. A<sub>est</sub>).

# Credit Rating Actions

## Overview of Credit Rating actions

A Credit Rating Action is any one of the items below:

**Preliminary:** Preliminary (P) Credit Ratings are assigned in advance of an instrument issuance.

**New:** The assignment of a new Credit Rating (may or may not be preceded by a preliminary Credit Rating).

**Upgrade:** The upgrade of a Credit Rating.

**Downgrade:** The downgrade of a Credit Rating.

**Default:** The assignment or removal of a default status.

**Under Review:** The placement of a Credit Rating 'Under Review' for a possible upgrade or downgrade, or for a developing outcome.

**Confirmation:** If a Credit Rating is removed from Under Review without an upgrade or downgrade.

**Affirmation:** If a Credit Rating is affirmed following a rating committee.

**Withdrawal:** If a Credit Rating is withdrawn.

**Assignment of a new Outlook or a changed Outlook to a Credit Rating.**

## Credit Credit Rating Under Review

A Credit Rating can be placed Under Review for upgrade, downgrade or developing outcome. Under Review status indicates that this Credit Rating is under consideration for a change while further analysis is needed to determine the Credit Rating outcome. Scope Hamburg intends to resolve a Credit Rating placed Under Review as soon as practicable and over a period not exceeding three months. Under Review status will be resolved with a Credit Rating being upgraded, downgraded, or confirmed by a Rating Committee. However, the latter can decide to maintain the Under Review status if more time is required to complete the analysis (this is not a rating action). The direction of an Under Review can also be changed (which constitutes a rating action). A Credit Rating Under Review is generally only taken off Under Review after the review is concluded.

A rating can likewise be placed under review for changes in methodologies. The resolution of any such review for methodology changes is subject to the implementation period for the new rating methodology.

## **Outlook**

An issuer Credit Rating can be accompanied by a Credit Rating Outlook, which can be Stable, Positive or Negative. The positive and negative Outlooks normally refer to a period of 12-18 months. These Outlooks provide an indication of the most likely direction of a potential rating change. However, they do not necessarily signal that an upgrade or a downgrade of a Credit Rating will automatically follow.

## Appendix 1: Rating Categories for Ratings and Other Services

### Long-term Credit Rating scale

The long-term Credit Rating scale for issuers, debt instruments and their debt instrument categories, is the following:

Category	Explanation
AAA	Credit Ratings at the AAA level reflect an opinion of exceptionally strong credit quality.
AA	Credit Ratings at the AA level reflect an opinion of very strong credit quality.
A	Credit Ratings at the A level reflect an opinion of strong credit quality.
BBB	Credit Ratings at the BBB level reflect an opinion of good credit quality.
BB	Credit Ratings at the BB level reflect an opinion of moderate credit quality.
B	Credit Ratings at the B level reflect an opinion of weak credit quality.
CCC	Credit Ratings at the CCC level reflect an opinion of very weak credit quality.
CC	Credit Ratings at the CC level reflect an opinion of extremely weak credit quality.
C	Credit Ratings at the C level reflect an opinion of exceptionally weak credit quality.
D/SD	Credit Ratings at the D or SD level reflect a default* situation with average to low or no recoveries.

**Debt instruments in default:** These ratings may also be assigned to debt categories and debt instruments in default\*

\*See definition of default above.

### Short-term Credit Rating scale

The short-term Credit Rating scale for issuers, debt instruments and their debt instrument categories, is the following:

Category	Explanation
S-1+	Credit Ratings at the S-1+ level reflect an opinion of the lowest credit risk with the highest capacity to repay short-term obligations.
S-1	Credit Ratings at the S-1 level reflect an opinion of very low credit risk with high capacity to repay short-term obligations.
S-2	Credit Ratings at the S-2 level reflect an opinion of low credit risk with good capacity to repay short-term obligations.
S-3	Credit Ratings at the S-3 level reflect an opinion of acceptable credit risk with fair capacity to repay short-term obligations.
S-4	Credit Ratings at the S-4 level reflect an opinion of moderate-to-high credit risk with modest to very low capacity to repay short-term obligations.
D/SD	Credit Ratings at the D or SD level reflect a default* situation.

\*See definition of default above.

## Short term/long term Credit Rating correspondence

Short-term Credit Ratings can be derived from the long-term issuer Credit Ratings. They can be mapped as follows:

	Scope Ratings				
	S-1+	S-1	S-2	S-3	S-4
AAA	S-1+	S-1	S-2	S-3	S-4
AA+					
AA					
AA-		S-1	S-2	S-3	S-4
A+					
A			S-2	S-3	S-4
A-					
BBB+			S-2	S-3	S-4
BBB					
BBB-			S-3	S-4	S-4
BB+					
BB			S-3	S-4	S-4
BB-					
B+			S-4	S-4	S-4
B					
B-			S-4	S-4	S-4
CCC					
CC			S-4	S-4	S-4
C					
D			S-4	S-4	S-4

## Appendix 2: Disclaimer

© 2022 Scope Hamburg GmbH (“SH”) and/or its licensors and affiliates. All rights reserved.

**CREDIT RATINGS ISSUED BY SH ARE SH’S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND SH’S PUBLICATIONS MAY INCLUDE SH’S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES. SH DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL, FINANCIAL OBLIGATIONS AS THEY COME DUE AND, IN THE CASE OF ISSUANCE-LEVEL CREDIT RATINGS, ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS AND SH’S OPINIONS INCLUDED IN SH’S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. CREDIT RATINGS AND SH’S PUBLICATIONS ARE NEITHER A PROSPECTUS NOR A SUBSTITUTE FOR INFORMATION ASSEMBLED AND PRESENTED BY COMPANIES OR ISSUERS FOR INVESTORS REGARDING THE PURCHASE OF A SECURITY OR FOR ASSESSING THE CREDITWORTHINESS OF A RATED ENTITY. CREDIT RATINGS AND SH’S PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. NEITHER CREDIT RATINGS NOR SH’S PUBLICATIONS COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. SH ISSUES ITS CREDIT RATINGS AND PUBLISHES ITS PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, CONDUCT ITS OWN INDEPENDENT ANALYSES, CREDIT ASSESSMENTS AND OTHER VERIFICATIONS AND EVALUATIONS OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.**

SH’S CREDIT RATINGS AND SH’S PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE SH’S CREDIT RATINGS OR SH’S PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT SH’S PRIOR WRITTEN CONSENT.

All information contained herein is obtained by SH from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided “AS IS” without warranty of any kind. SH adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources SH considers to be reliable including, when appropriate, independent third-party sources. However, SH is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing the SH publications.

Please note that summaries of contracts, laws and other documents contained in any SH publication, rating report or other materials cannot replace careful study of the relevant complete texts.

SH and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if SH or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by SH. The limitations do not apply to the extent that fraud, intent or any other type of liability cannot be excluded and/or limited under applicable law.

SH and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, on the part of, or any contingency within or beyond the control of, SH or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information. The limitations do not apply to the extent that fraud, intent or any other type of liability cannot be excluded and/or limited under applicable law.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY SH IN ANY FORM OR MANNER WHATSOEVER.

The dissemination and use of an SH rating report may be prohibited by law in certain jurisdictions. Any persons who come into the possession of such information should inquire about and comply with any prohibitions that may be in place. SH assumes no liability of any kind with respect to such dissemination and use of any rating in any jurisdiction whatsoever.

Scope Hamburg GmbH