

DESCRIPTION OF THE CREDIT RATING PROCESS



1. INITIATION OF THE CREDIT RATING PROCESS



Paragraph 1 -

1. A credit rating is generally initiated at the request of the rated entity, issuer or arranger. Should GCR view there to be sufficient information available to conduct a credible credit rating the credit rating may be undertaken. A credit rating may also be initiated on an unsolicited basis. For more on unsolicited credit ratings please see GCR [Unsolicited Credit Rating Policy](#).



2. SOURCING INFORMATION AND RELATED CONSIDERATIONS



Paragraphs 1 to 3 -

1. GCR will source the required information which in GCR's view is of suitable quality in order to formulate an opinion as to the creditworthiness of the rated entity, issuance or obligation. GCR may require further quantitative, qualitative or legal analysis in order to opine on the creditworthiness of the rated entity, issuance or obligation. Credit ratings will be reviewed and monitored on the basis of the information sourced at the initial assignment of a credit rating by GCR.
2. Timing may also be a factor to consider when determining whether sufficient information has been received in order to determine a credit rating. Should there be information which is necessary to determine a credit rating, but has not yet been received, GCR has the right not to approve, assign or issue a credit rating. GCR at its discretion may determine the reliability of information received in the credit rating process.

3. The reliability of information details GCR's internal standards of the nature and status of information to permit the consideration of the information in the assessment. This may require the issuer or obligation being rated to provide an audit, legal or other due diligence certification or acknowledgement that the information is reliable for the purposes it is sought in the credit rating process.



3. ENGAGEMENT WITH RATED ENTITY

 *Paragraphs 1 to 2 -*

1. A meeting with management of the rated entity or the arrangers of an obligation is commonly undertaken as part of the credit rating process. GCR's analytical unit will meet to discuss key analytical factors that may have an impact on a credit rating.
2. Meetings such as these are part of the information sources upon which GCR relies in formulating its opinion on the credit worthiness of a rated entity or obligation. Considerations are had for, amongst others, operational, financial, corporate and strategic plans all of which add to the quality of the information sourced by GCR.



4. CREDIT RATING REPORT "THE RECOMMENDATION" AND THE CREDIT RATING COMMITTEE

 *Paragraphs 1 to 3 -*

1. A credit rating is assigned and issued by GCR and not by an individual or team. A credit rating is approved and assigned at a credit rating committee. A credit rating report ("recommendation") derived by the analytical unit shall be based on a thorough analysis of all information known and believed to be relevant to GCR and consistent with the applicable credit rating methodology that is in effect.
2. Should there be any deviations or departures from the elected methodology, GCR shall indicate the attributes and/or limitations present in the analysis. GCR shall describe the extent to which information was verified.

3. Individuals whom collectively have the knowledge and experience in developing and monitoring credit ratings shall form and comprise a credit rating committee. The credit rating committee shall be provided with a recommendation and through a vote approve a credit rating.



5. DISCLOSURE AND APPEALS



Paragraphs 1 to 5 -

1. Once the credit rating committee has assigned a credit rating GCR shall notify the rated entity, issuer or arranger of the outcome and provide information on the key elements of the decision.
2. Once the rated entity, issuer or arranger has been notified GCR may publish a credit rating making it available to the public, with the exception or private credit ratings.
3. The rated entity, issuer or arranger will be provided with the opportunity to correct factual errors or misstatements and prevent the inadvertent disclosure of confidential information.
4. GCR may consider a request from the rated entity, issuer or arranger to appeal the credit rating assigned to the rated entity or obligation. GCR shall consider the reasons provided and whether new, material information is presented for consideration.
5. Should there be an appeal a credit rating committee will convene in order to consider the information submitted and may either affirm the original credit rating or assign a new credit rating.



6. MONITORING AND REVIEW OF CREDIT RATINGS.

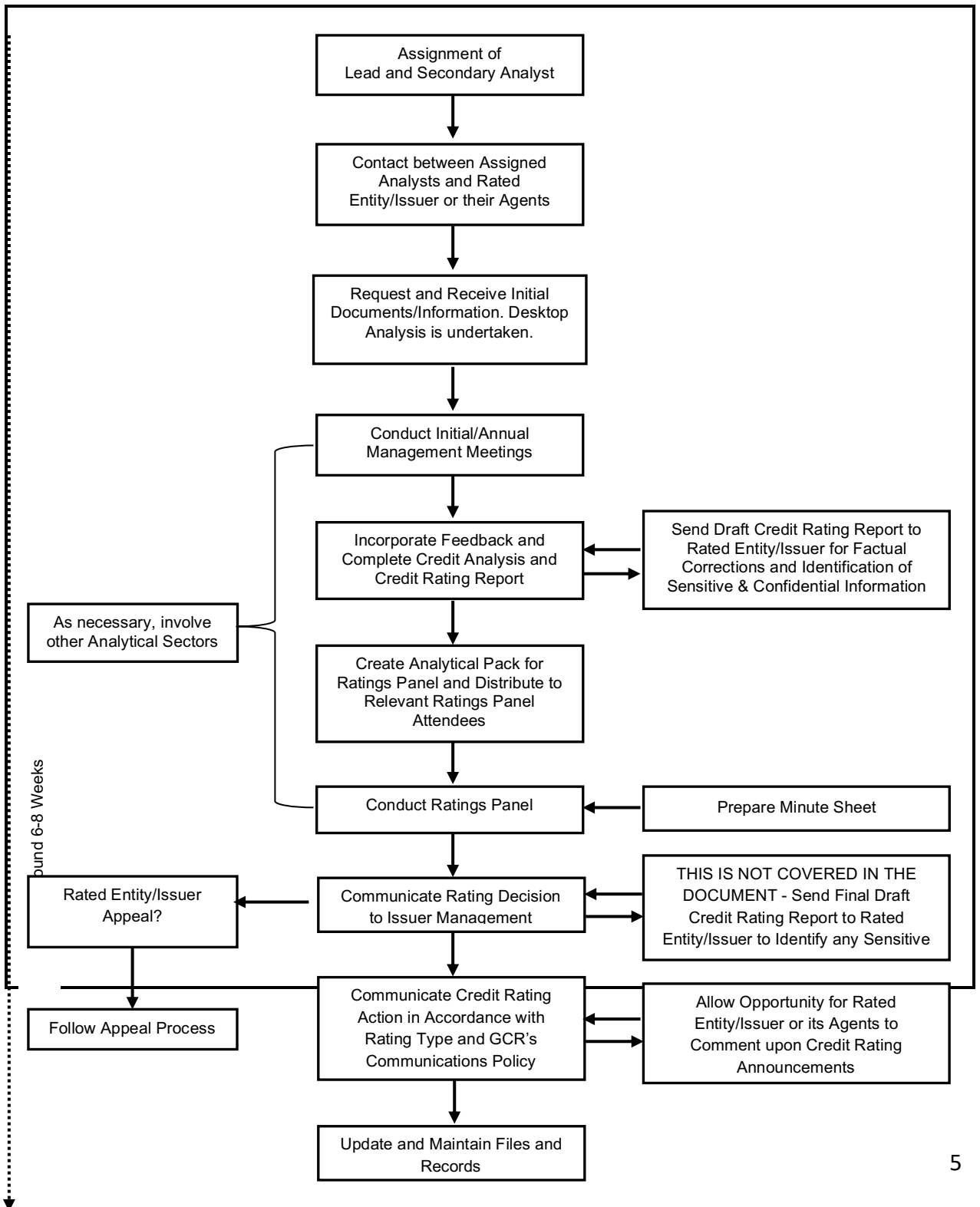


Paragraphs 1 - 8

1. Upon issuing a public credit rating via public announcement GCR's shall as part of its surveillance duties maintain that credit rating. GCR shall ensure that adequate analytical and financial resources are allocated to monitoring and updating the credit rating. GCR shall disclose on an ongoing basis when a credit rating was last updated or reviewed.
2. If a different or separate analytical team is utilized for monitoring a credit rating, in relation to the initial credit rating, the Sector Head shall seek to ensure the suitable level of expertise and resources are allocated to perform the review function in a timely manner. All cumulative experience in this regard should be suitably incorporated into the review or monitoring process.
3. GCR shall conduct a review of a credit rating in accordance with the credit rating process. The review of the credit worthiness of the rated entity or obligation shall be conducted regularly.
4. Should it be necessary GCR may publicly initiate a review status of the credit rating on becoming aware of information that may have a bearing on the credit rating, consistent with the applicable methodology. In maintaining a credit rating or rating outlook, GCR may rely on factual information received from issuers, underwriters, and from other sources believed to be credible.
5. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to GCR and to the market in offering documents and other reports. In issuing credit ratings reliance is placed on the work of experts, including independent auditors with respect to financial statements, and attorneys with respect to legal and tax matters.
6. Should the methodology upon which a credit rating is based undergo a change, GCR shall review the impact of the change on the credit rating.
7. If GCR discontinues monitoring a credit rating for a rated entity or obligation it may either withdraw the credit rating or disclose such discontinuation to the public or to its subscribers as soon as practical.

 7. PROCESS FLOW CHART

 As Below page 5



Note: This chart is for illustrative purposes, and the timing and order of the steps may change according to the specific requirements and unique characteristics of the credit rating undertaken. For example, additional engagements may be required or additional rating committees may be convened, amongst others.



8. WITHDRAWAL, SUSPENSION AND DISCONTINUATION



Paragraph 1

1. In this regard please see [GCR's Withdrawal, Suspension and Discontinuation Policy](#).



9. DEFINITIONS



For all the definitions related to this policy kindly refer to the glossary of terms at www.globalratings.net.