



Moody's Rating Assessment Service (RAS)

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Moody's Investors Service is a leading provider of credit ratings, research, and risk analysis. Moody's commitment and expertise contributes to transparent and integrated financial markets. The firm's ratings and analysis track debt covering more than 120 sovereign nations, approximately 11,000 corporate issuers, 21,000 public finance issuers, and 72,000 structured finance obligations. Moody's Investors Service is a subsidiary of Moody's Corporation (NYSE: MCO), which reported revenue of \$3.3 billion in 2014, employs approximately 10,200 people worldwide and maintains a presence in 35 countries. Further information is available at www.moody.com.

RAS is point-in-time, written feedback reflecting a Moody's rating committee view on the likely rating impact of future hypothetical transactions.

Introduction

Moody's strives for an open dialogue between issuers and Moody's analytical teams. These discussions may focus on ratings methodology, helping issuers understand the credit drivers of a particular credit-feature, or on the credit effect of different hypothetical scenarios or potential credit-transforming events on the issuer's rating.

Although Moody's encourages the dialogue between analysts, these discussions represent the opinion of the analyst only and not the views or conclusions of a Moody's Credit Rating Committee. Should an issuer wish to receive formal written feedback from a Moody's Credit Rating Committee, prior to making a significant event or transaction public, Moody's makes available a Rating Assessment Service for rated and unrated entities. Moody's RAS helps issuers assess a hypothetical transaction's credit effects and its ratings implications.

Rating Assessment Service (RAS)

Moody's provides a RAS to companies that are considering transactions that could transform an issuer's business or financial condition, and which could therefore impact its ratings. A RAS allows an issuer to request that Moody's considers one or more hypothetical scenarios at a committee-level, and deliver a written response as to how a rating committee would likely rate those scenarios, should they be announced or executed. Moody's continues to monitor the issuer's public ratings while performing a RAS, and its public ratings continue to reflect all factual (non-hypothetical) information.

Parameters and Limitations

Moody's ability and willingness to perform a RAS, or the extent of feedback Moody's can provide in a RAS, is subject to various factors:

- » Moody's will not provide a RAS if the analytical team believes the ratings should be reviewed independently of the hypothetical event. This is not applicable in the case where the issuer is unrated.
- » Moody's decision to perform a RAS depends on its understanding of the request and the availability of analytical resources; an issuer's existing analytical team typically performs the RAS. However, certain situations may result in a separate analytical team conducting the RAS.
- » Moody's will not perform a RAS where it considers a situation to be hostile or potentially hostile.
- » In a RAS, hypothetical information remains confidential. Information in a RAS will not be reflected in an issuer's current ratings unless the hypothetical circumstances should come to pass or be announced. Moody's public rating will continue to reflect all factual information.
- » Moody's does not perform RAS's for third parties to evaluate the impact of a hypothetical transaction on a rated issuer's debt; RAS applicants must be principals in the transaction for which they are seeking Moody's feedback.
- » Moody's will not construct or assist in constructing scenarios.

RAS Scenarios

RAS is not a consulting service. Moody's will not suggest, structure or advise an issuer on how to construct a scenario to achieve a particular rating outcome. Moody's may review up to three RAS scenarios for an issuer, under the standard RAS Agreement. These scenarios will be presented and reviewed simultaneously.

RAS Engagement Timeline

Each RAS engagement is unique. Some engagements involve multiple parties (e.g. possible M&A transactions), others evaluate a single issuer. Keeping in mind the time-sensitive nature of a RAS request, execution will depend on the nature of the request, the level of information provided and the availability of analysts to work on the RAS. At a minimum, Moody's analytical teams would need sufficient information to analyze a scenario and produce a RAS outcome. Access to information and financial models ahead of a meeting helps analysts prepare for and execute the RAS in the desired timeframe.

RAS Feedback and Confidentiality

The RAS engagement provides committee-level, written feedback delivered at a point-in-time. The rating outcome, on announcement or execution of a transaction has the potential to be different from a RAS outcome due to differences between the scenarios analyzed and the actual transaction, or potential changes in market conditions.

Moody's provides RAS feedback to an issuer only, and its assessments are confidential until the issuer executes or publicly announces its intent to execute a transaction, which would lead Moody's to make a public statement about its ratings. Conversely, Moody's generally does not permit the disclosure of a RAS outcome to any parties other than an issuer's management, board members and its financial/legal advisors acting in a fiduciary capacity. A RAS outcome for an unrated issuer may be disclosed to other parties other than an issuer's management, board members and its financial/legal advisors upon approval from Moody's. Moody's will not incorporate a RAS outcome into existing ratings until a transaction is public.

Should you wish to discuss any aspect of Moody's Rating Assessment Service (RAS), including fees, please contact your local Account Manager or:

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