



STRUCTURED FINANCE RATING CRITERIA

GLOBAL CONSUMER ABS RATING CRITERIA

This is an update to the methodology previously published in September 2019.

There are no material changes and as such no rating impact.

September 2020

I. INTRODUCTION

ARC Ratings, S.A.'s ("ARC") Global Consumer ABS Rating Criteria (the "Criteria") apply to Asset Backed Securitisation transactions that benefit from a diversified collateral pool with a large number of underlying obligors. The Criteria apply to a wide variety of asset classes with fixed repayment profiles such as car loans, equipment leases and personal loans which can be secured or unsecured. For the avoidance of doubt, the Criteria cannot be used to rate RMBS transactions which are subject to asset-specific rating criteria.

This report provides an overview of how consumer asset backed transactions are analysed covering, amongst other things: a high level assessment of the assets, including the obligors, the receivables type and the underlying security (if any), including any residual value risk; an analysis of expected defaults, delinquencies, recoveries, prepayments and yield of the assets, all supplemented by a cash flow analysis.

ARC's key areas of analysis in rating Consumer ABS transactions are as follows:

- Asset and transaction analysis (including an operational review of the originator/servicer)
- Cash flow analysis
- Credit enhancement
- Legal review

Although the Criteria apply globally every country and transaction may give rise to additional individual variations that will be disclosed in the transaction-specific reports.

II. RELATED RESEARCH

Each transaction will be accompanied by a transaction-specific report that will describe the analysis undertaken, the rating rationale and also highlight any bespoke variations to the Criteria and the reasons for such variations. These Criteria should be read in conjunction with ARC's published 'Global Structured Finance Methodology' – dated September 2020' and available at www.arcratings.com.

III. STRUCTURED FINANCE RATINGS

In Structured Finance, a rating is accorded in line with the contents of the transaction documents – in particular the terms and conditions of the rated securities and structural mechanics are analysed. The rating accorded is an opinion on relative credit quality. A rating will typically address timely payment of interest and ultimate payment of principal unless otherwise disclosed.

ASSET AND TRANSACTION ANALYSIS

The consumer ABS asset class includes loans and leases granted to individuals as well as (small and medium-sized) corporates so long as the portfolio is granular with no single obligor comprising greater than 10% of the portfolio. The loans and leases can either be fully or partly amortised at their maturity. In the latter case, a may be exposed to residual value risk. An example is a vehicle lease where the vehicle will be sold at maturity to cover the remaining lease balance. ARC will factor potential residual value risk into its credit analysis where necessary.

A key aspect of ARC's qualitative analysis is the originator/servicer review. ARC will perform an originator/servicer review for every transaction it rates. During the originator review ARC expects to receive an overview of all material aspects of the assets (by product type) to be securitised as well as detail on credit granting, underwriting, collections, servicing processes and senior management. The originator is expected to provide a set of current and historical performance data (relating to each asset in the portfolio to be securitised and the originator's total book) as indicated in Appendix A. In addition to its own review, ARC expects to receive for each transaction an independent audit review on the underlying collateral to be provided by a recognised international accounting firm, such review to be carried out in accordance with agreed upon principles (AUP) except in cases where the collateral is fully insured by a suitably rated external insurance counterparty. ARC expects to be able to review the AUP in advance of the audit.

For existing transactions an originator/servicer review is expected to be carried out on an annual basis to assess changes to policies and procedures and, in any event, no less frequently than every two years. In instances where an audit opinion is not provided, ARC will carry out an extended file review on a random selection of files relating to the underlying collateral. As part of the legal review, ARC will request a letter of confirmation from the originator and/or a legal opinion confirming that there is no prior charge over the pool of assets forming security for the transaction.

IV. ELIGIBILITY CRITERIA

ARC expects eligibility criteria to be in place at closing, limiting the type and quality of assets that can be sold by the originator into the securitisation vehicle, thus ensuring the historical data analysed reflects the likely performance of the securitised assets. ARC expects the transaction to start with a performing portfolio, i.e. assets in arrears of greater than 30 days should not be sold into the securitisation vehicle.

Eligibility and portfolio criteria help to mitigate risk with respect to the type and quality of assets included within the pool. Typical loan-level eligibility criteria will typically include at least the following:

All assets are:

- Originated in line with the originator's underwriting guidelines
- Compliant with and enforceable under applicable consumer finance legislation;

- Current or no more than 30-days' delinquent or written-off/charged-off contracts; and
- First payment has been received.

Eligibility criteria may also set parameters for the transaction such as:

- Maximum loan/lease tenor;
- Minimum interest rate or spread for each loan or lease in the pool;
- Maximum original maturity for every contract;
- Geographic/regional exclusions or concentration limits; and
- Maximum exposure to specific (typically higher risk) product types.

Transaction documentation usually obliges originators to repurchase any assets sold to the issuer which were not eligible at the time of sale. ARC therefore assumes that the originator will comply with eligibility criteria and also with their contractual obligation to repurchase assets if the eligibility criteria are breached or assets become ineligible. The credit analysis therefore does not address the risk of ineligible assets being sold into the pool.

For revolving transactions, i.e. transactions where the originator can sell new assets to the securitisation vehicle during a certain period of time, ARC expects portfolio criteria to be in place at closing that limit potential portfolio performance deterioration. Typical criteria include portfolio concentration limits, a minimum weighted average portfolio yield and a commitment not to materially change the underwriting criteria.

In addition, ARC expects early amortisation triggers, relating to asset performance, credit enhancement and counterparties to be in place at closing. For example, triggers can be linked to a maximum dynamic arrears (delinquency) rate, a maximum cumulative default rate, a certain level of excess spread available to the transaction, a minimum asset cover ratio, a minimum debt service coverage ratio, a significant deterioration in the credit quality of the originator, the ability to fund reserve accounts and an un-remedied default of a transaction counterparty. ARC expects these triggers to be set at a level to limit the potential for significant portfolio deterioration during the revolving period. Where triggers are considered inadequate, these will be considered in analysing the expected loss of the transaction.

In a revolving transaction, principal collections can be used to purchase new assets. If insufficient new assets are available, cash may be retained in the transaction accounts to be used during the next payment period. The retained cash increases counterparty risk to the account bank and increases the risk of negative carry to the transaction since the balance in the transaction account normally yields less than the interest due on the debt instruments issued. ARC therefore expects a provision in the transaction documentation that limits the quantum of retained cash for the purpose of buying new assets. In the event that retained cash exceeds the limit, ARC expects the excess to be used to repay senior notes on the next payment date.

V. RISK ANALYSIS

EXPECTED DEFAULT

ARC expects to receive a minimum of three years historical data, usually in the form of static cumulative data curves for past vintages (years, quarters or months) from previous years' originations. For the more recent vintages this data will be extrapolated to the expected maturity of the assets, based on full data for previous vintages (see example below). Where a minimum of three years historical data is not available ARC may make conservative assumptions in its analysis based upon available market data. Where such data is not available ARC may decline to rate the transaction. ARC uses the static cumulative default data to determine a base case of cumulative defaults expected to occur during the life of the transaction. The cumulative default rate is calculated as a percentage of the portfolio balance to be securitised.

The definition of default is assumed to be 90 days unless documented otherwise.

The two tables below show a simplified example of how the extrapolation exercise works:

Un-Extrapolated Cumulative Defaults by Vintage Year

%	Year 1	Year 2	Year 3	Year 4
2016	2.0	2.5	3.5	3.6
2017	1.0	1.3	1.9	
2018	1.4	2.0		
2019	0.9			
Average	1.3	1.9	2.7	3.6
Gradient Factor		1.46	1.40	1.33

For uncompleted vintages, a gradient factor is calculated. For example, the 1.46 factor for year 2 is the result of the following equation: the average cumulative defaults for year 2 (1.9) divided by the average cumulative defaults from year 1 (1.3). With the assistance of the gradient factors, complete cumulative default curves can be estimated:

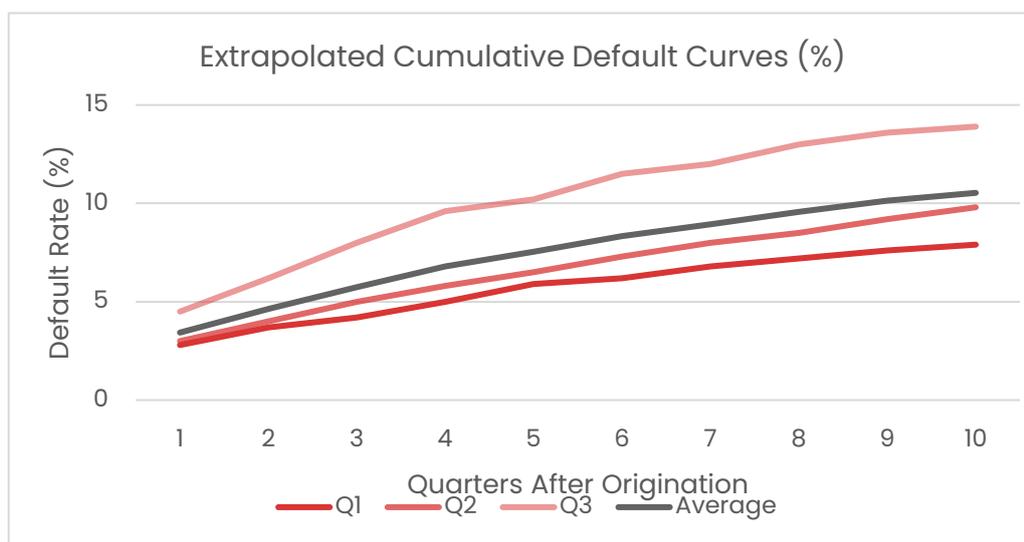
Extrapolated Cumulative Defaults by Vintage Year

%	Year 1	Year 2	Year 3	Year 4
2016	2.0	2.5	3.5	3.6
2017	1.0	1.3	1.9	2.5
2018	1.4	2.0	2.8	3.7
2019	0.9	1.3	1.8	2.4

For example, the 4 years extrapolated cumulative default rate relating to the 2019 vintage (2.4) is calculated by multiplying 1.8 (the 3 years extrapolated cumulative default rate relating to the 2019 vintage) by a gradient factor of 1.33.

After having established the extrapolated curves, the rating panel determines which curve is the most appropriate to use as a base case assumption for the transaction. The rating panel may ignore certain curves from the calculations. Examples include cases where there are not enough data points to make a reliable extrapolation or where a curve would clearly not provide an appropriate proxy. The latter may be the case, for example, if an older curve shows a very high cumulative outcome due to different underwriting criteria being applicable at the time of origination. The rating panel may also give more weighting to curves it views as more reflective for the life of the transaction. If a particular curve exhibits volatility, a qualitative analysis of the drivers of such volatility will be taken into consideration in the analysis.

Assuming the following chart (unrelated with the two previous tables) as an example:



The Q3 curve starts and ends clearly higher than the other curves and the average. The decision whether or not it would be appropriate to follow the Q3 curve is of a qualitative nature and depends on the reasons for this curve being so high: Is it macro-economic related? Is the expected economic situation during the life of the transaction reflective of the periods for which data is available? Were defaults high and origination volumes low? Is it comparable to other originators? Was there a change in underwriting practices and/or credit procedures? The rating panel may give more weight to a curve that stems from an economic period that is similar to what is expected for the life of the transaction.

The curves also provide a basis for determining a default time vector, i.e. the expectation of how defaults are likely to be spread over time. In addition, a front and back-loaded default and recovery time vector is determined which can be used for a sensitivity analysis in the cash flow model.

If sufficient data is available, base case assumptions are determined for each product

group, particularly important where different products display distinct performance characteristics. A weighted average base case assumption is then determined by assuming a worst-case portfolio composition in line with the contractual portfolio concentration limits.

Where an originator presents a portfolio that is well seasoned (or a non-revolving pool), a proportion of defaults will have already occurred. For such portfolios ARC may want to make an adjustment based upon the remaining defaults as a percentage of the outstanding pool amount, as illustrated in the table below. The formula used to make the adjustment is: seasoning adjusted base-case default rate = (unadjusted base-case default rate - cumulative default rate to end of seasoning) x (initial amount/outstanding amount).

		Example 1	Example 2
1	Unadjusted cumulative defaults	5.0%	5.0%
2	Defaults already occurred	3.0%	3.0%
3	Defaults still to occur	2.0%	2.0%
4	Initial portfolio balance	10,000	10,000
5	Current portfolio balance	7,000	3,500
6	(4) divided by (5)	1.43	2.86
7	Adjusted cumulative defaults = (3) times (6)	2.9%	5.7%

ARC's rating panel will consider whether to cap the seasoning adjustment in any specific transaction and this cap, if used, will be explained in the transaction report.

The base case is, in principle, deemed to be commensurate with a 'B(sf)' (single B) rating scenario. This is the scenario expected to occur during the life of the transaction at closing. For higher rating scenarios, a stress multiple is applied to the base case. This is to account for potentially higher defaults in periods of greater economic stress. The stress multiples listed in the table below provide an indication of stresses typically applied for relevant rating scenarios.

Default Rate Stress Multiples

Rating Scenario	Range
AAA(sf)	4.0 - 6.0
AA(sf)	3.0 - 4.5
A(sf)	2.2 - 3.3
BBB(sf)	1.6 - 2.4
BB(sf)	1.2 - 1.8
B(sf)	1.0

CUMULATIVE DEFAULT RATE STRESS MULTIPLES

The actual stress multiple is determined by the rating panel and may be higher or lower than indicated above. If, for example, the base case assumption is already relatively high because it has been derived from data covering a period of economic stress (e.g. where any stress would lead to assumed defaults trending towards 100%), a lower multiple may be justified. Other considerations in this respect are underwriting standards and the availability and quality of data. The stress multiple for notched ratings can be derived by interpolating between the upper and lower bounds in the table above.

CONCENTRATIONS

In the event that the portfolio includes large asset concentrations, each rating scenario is expected to be able to withstand at least a certain number of top obligor defaults, as indicated in the table below

Number of Top Obligors Assumed to Default

Rating Scenario	Range
AAA(sf)	5 - 7
AA(sf)	4 - 6
A(sf)	3 - 5
BBB(sf)	2 - 4
BB(sf)	2 - 3
B(sf)	1 - 2

The corresponding default rate is determined by assuming a worst-case portfolio composition in line with the contractual portfolio concentration limits.

ARC expects a granular and well diversified portfolio to be presented. It will assume that, during the revolving period, the portfolio will migrate to the worst case possible under the concentration limits.

EXPECTED DELINQUENCIES

On the basis of the dynamic arrears and roll rate data, there are some assets that will become delinquent but will not flow through to default. For each rating category ARC assumes that a further 50% of the assumed defaulted assets fall into arrears at the same time but become reperforming on the date on which they would otherwise become defaulted.

EXPECTED RECOVERIES

The static cumulative recovery data provides the basis for determining a base case recovery rate assumption. The base case recovery rate is the expectation of the cash amount to be recovered from the assumed cumulative defaults, regardless of whether it is principal or interest. Similar to defaults, the rating panel determines which recovery curve (including time vector) would be the most appropriate proxy. Recovery curves should track the amounts recovered from the moment of (technical) default. In addition, an appropriate front and back-loaded recovery time vector is determined. Unlike defaults, recovery timings are tracked from the date of default, not from the date of origination.

Other factors considered are the legal structure (e.g. does the issuer benefit from security in a similar way to the originator?), any changes in regulations that could influence the quantum and timing of recoveries, and the legal maturity date of the notes. The latter must lag the maturity date of the longest assets sufficiently in order to give the issuer enough time to make tail-end recoveries.

As with defaults, if sufficient data is available, base case assumptions are determined for each product group. A weighted average base case assumption is then calculated by assuming a worst-case portfolio composition in line with the contractual portfolio concentration limits.

The base case, in principle, is deemed to be commensurate with a ‘B(sf)’ rating scenario. For higher rating scenarios, a haircut is applied to the base case recovery rate. This is to account for potentially lower recoveries in periods of greater economic stress. The haircuts listed in the table below provide an indication of the stress applied for the relevant rating scenarios:

Cumulative Recovery Haircuts

Rating Scenario	Range
AAA(sf)	40% - 60%
AA(sf)	30% - 45%
A(sf)	20% - 35%
BBB(sf)	15% - 25%
BB(sf)	10% - 20%
B(sf)	0%

EXPECTED PREPAYMENTS

The rating panel determines an appropriate base case prepayment rate on the basis of the historical prepayment data received. The base case is in principle deemed to be commensurate with a ‘B(sf)’ rating scenario. For higher rating scenarios, a sensitivity

analysis is included in the cash flow model by assuming both higher and lower prepayment rates for the portfolio as follows:

Prepayment Stresses

Rating Scenario	Stress
AAA(sf)	50%
AA(sf)	40%
A(sf)	30%
BBB(sf)	20%
BB(sf)	15%
B(sf)	0%

The stress for the ratings in each rating band can be derived by linear interpolation. For example, a base case prepayment rate of 10% has corresponding ‘AAA(sf)’ (triple A) high and low prepayment rates of 15% (10% + (50% x 10%)) and 5% (10% - (50% x 10%)), respectively.

EXPECTED ASSET MARGIN

The portfolio to be securitised is split into five (5) asset margin buckets, which together represent the blended margin at closing. The higher the rating scenario, the higher the proportion of prepayments assumed to be allocated to the highest margin bucket. The supporting analytical assumption is that obligors that pay a high margin have a greater incentive to find alternative cheaper financing, and are likely to prepay earlier. By allocating more prepayments to the highest yielding bucket, the blended portfolio margin reduces faster which is considered to be conservative. The remaining part of prepayments is typically allocated equally over the other buckets. Allocation is assumed to be as follows:

Asset Margin Allocation to the Highest Margin Bucket

Rating Scenario	Allocation
AAA(sf)	50%
AA(sf)	40%
A(sf)	35%
BBB(sf)	30%
BB(sf)	25%
B(sf)	20%

The allocation for the ratings in each rating band can be derived by linear interpolation. ARC may adjust the assumed blended margin, for example, if portfolio criteria allow a lower blended margin during a revolving period than the actual blended margin available at closing.

For the purposes of its cash flow model, ARC assumes the interest earned on the transaction accounts in respect of amounts not invested in interest bearing receivables to be the lower of (a) the contractual rate or (b) the relevant country's relevant floating rate index minus 0.25%.

EXPECTED ASSET SERVICING FEES

ARC assumes the fees for servicing the assets to be the higher of (a) the contractual servicing fees, (b) the contractual backup servicing fees, or (c) another fee in the event that the rating panel has indications that in a specific market, higher servicing fees would be appropriate. In order to cover for tail risk, ARC expects the servicing agreement to include a maximum servicer fee amount.

EXPECTED INTEREST RATES

A transaction may be sensitive to interest rate movements in the event that either the assets or the liabilities pay interest on a floating rate basis. Also, the transaction account balances may earn interest on a floating rate basis. ARC therefore runs a sensitivity analysis where certain movements of the relevant floating rate index are assumed. This movement is determined by analysing the historical behaviour of the relevant index and the expectation during the life of the transaction. ARC will disclose in each transaction specific report the relevant assumptions. If the documentation makes no allowance for benchmark interest rates to fall below zero ARC will recognise this fact in its stresses.

A swap may hedge fully or partly the interest rate risk in a transaction. In this case ARC adds the swap mechanics to the cash flow model. ARC prefers the transaction specific swap notional to follow the performing asset balance in the transaction.

COMMINGLING AND SET-OFF RISK

ARC expects the legal opinion to identify, amongst other things, any commingling and set-off risk to which the transaction may be exposed and to describe any mitigation. If the risk is not appropriately mitigated, additional credit enhancement may be necessary to accommodate certain rating scenarios. This is assessed on a case-by-case basis.

VI. CASH FLOW ANALYSIS

The base case and stressed scenarios as described above are used as inputs to a cashflow model tailored for each specific transaction. In addition, any other relevant transaction features are incorporated into the model, e.g. a liquidity facility, running expenses for the issuer (e.g. trustee fees) and the priority of payments. Each rating

scenario is tested against the proposed liability structure and the terms and conditions of the debt instruments to be issued.

The cash flow model tests the portfolio to be securitised assuming the start of principal redemptions at the earliest possible date. The redemption profile is derived from the scheduled redemption profile received, taking assumed defaults, delinquencies and prepayments into account.

A revolving period is typically not modelled. Instead, ARC analyses how effectively early amortisation triggers provide protection against portfolio deterioration. Effective amortisation triggers are triggers set at levels relatively close to the base case assumptions which, if breached, will prompt an end to the revolving period. Ineffective triggers may mean that cumulative nominal losses in the transaction will be higher than expected on the basis of the static cumulative default and recovery curves.

In the event that the transaction benefits from a prefunding element, i.e. at closing of the transaction, part of the principal balance of the debt instruments issued is kept in a transaction account and can be used to acquire assets in the future, this may result in negative carry during the prefunding period. ARC expects additional credit enhancement to be in place at closing to cover the estimated negative carry.

In the event that senior costs (e.g. trustee fees) are subject to an annual inflation correction, ARC will factor this into the model assuming a rate of inflation relevant to the specific country. ARC expects to receive an exhaustive list of such costs.

Each transaction specific report will include a rating sensitivity analysis in respect of assumed defaults and recoveries and any other key rating drivers.

VII. CREDIT ENHANCEMENT

Credit enhancement is typically provided in the form of: (i) overcollateralisation; (ii) cash reserves and/or (iii) excess spread. The type of credit enhancement provided to the transaction will be factored into the cash flow model.

Credit enhancement in the form of overcollateralisation is the amount of assets in excess of the outstanding notes balance available to protect the note holders against defaulted assets. For overcollateralisation to be effective, an asset/liability test should be in place to monitor this as part of the reporting and transaction monitoring process.

In respect of transactions that use cash reserves, ARC will analyse under which situations drawings on the reserves may be made. If drawing can be made on cash reserves for defaulted assets, ARC will assume the reserves may be fully drawn and not available for liquidity purposes.

The availability of excess spread to cover defaulted assets will be dependent on the prepayment, yield and delinquency performance of assets. This will be included in ARC 's cash flow modelling. If, after meeting all senior obligations, any remaining excess spread

can be used to top-up depleted cash reserves this will be reflected in the cash-flow model and the analysis.

VIII. PERFORMANCE MONITORING

On-going monitoring of performance of transactions and the underlying assets is key to the rating process and to ensure that appropriate ratings continue to be assigned. ARC expects sufficient performance information to be provided on a monthly/quarterly basis and will issue an updated surveillance report at least annually.

Amongst others, ARC expects to receive the following transaction performance data:

- the portfolio composition compared to the portfolio eligibility criteria;
- the actual interest and principal collections received on the assets;
- the available credit enhancement (including excess spread) in the transaction;
- the evolution of defaults, delinquencies, recoveries and prepayments, including those related to such assets that have been repurchased by the originator;
- the application of available cash through the priority of payments; and
- an overview of compliance with all transaction performance and counterparty triggers.

Other relevant factors considered during the surveillance process include, for example, the macro-economic and asset-specific outlook.

In certain transactions refinancing may take place during the life of the transaction, although ARC's initial rating will make no assumption that this takes place. In the event of the proposed refinancing of all or any classes of notes - including those not rated by ARC but which, if executed, might affect the transaction's rating - ARC expects to be notified sufficiently in advance in order to complete a full analytical review of the transaction before the refinancing takes place.

Surveillance panels are held at a minimum annually or as events warrant. Negative or improved performance of the underlying portfolio may trigger a surveillance panel and potential rating action. Given the dynamic nature of consumer ABS transactions, rating reviews are typically carried out on an annual basis, but may be reviewed more frequently if prompted by ARC's monitoring process. For public transactions ARC will publish, at a minimum, an annual performance report or as events warrant.

IX. RATING MODIFIERS

Indicative Rating - evidenced by the suffix (ind) - is a rating assigned by ARC to an issuer or an instrument (most commonly structured or project finance debt issues) when the assignment of a final rating is dependent upon the fulfilment of specific contingencies. Any material deviation in the fulfilment of these contingencies from the assumptions underlying the Indicative Rating can have a material impact on the final rating accorded, which accordingly may be fundamentally different to the initial Indicative Rating.

Moreover, ARC reserves the right not to issue a final rating. Potential investors are advised to bear this in mind when considering any indicative rating.

As with all other structured finance ratings, ABS ratings are required to include the suffix (sf) following the rating assigned.

X. QUALIFICATIONS

Note that ARC is not a legal, tax or financial adviser and will only provide a credit opinion of the rated securities. For example, a rating does not cover a potential change in the applicable laws nor can it be regarded as an audit. Moreover, ARC is not a party to the transaction documents, nor does it provide legal, tax or structuring advice.

APPENDIX A. PORTFOLIO DATA

The originator is expected to provide a set of current and historical performance data (relating to each asset in the portfolio to be securitised and the originator's total book) that includes the following:

CURRENT DATA

- Asset and obligor identifiers;
- Original and current principal balance outstanding;
- Origination date;
- Legal maturity date;
- Fully amortising or balloon payment;
- Amount of balloon payment;
- Type of instalment, instalment amount (split between interest and principal) and frequency of instalment;
- The interest rate (benchmark plus margin where relevant);
- Origination channel;
- Originator's credit score information;
- Geographical area where the borrower resides;
- An overview of the scheduled interest and principal to be received each month on the portfolio; and
- Other relevant data.

HISTORICAL PERFORMANCE DATA (AT LEAST THREE YEARS)

- Static cumulative default rate curves by vintage and product type; these curves should follow a technical default definition (e.g. accounts being more than 90 days past due and uncollectable accounts);
- Origination volumes per month per product type;
- Static cumulative recovery rate curves by vintage and product type;
- Dynamic arrears data split over ageing buckets up to the point of technical default, including roll rates;
- Portfolio principal balance per month per product type;
- Rehabilitation analysis per product type: what percentage of technical defaults are rehabilitated and remain rehabilitated over time;
- Dynamic prepayment data per product type;
- Dynamic portfolio yield per product type;
- A historical overview of interest rate movements; and
- An explanation of the main drivers for all items mentioned above.

In the event that the historical data does not cover a full economic cycle, ARC may also use other sources – for example, generic market data – to complement the originator's information.

DISCLAIMERS

ARC Ratings, S.A. is registered as a Credit Rating Agency with the European Securities and Markets Authority (ESMA), within the scope of the Regulation (EC) N° 1060/2009 of the European Parliament and of the Council, of 16 September, and recognised as External Credit Assessment Institution (ECAI).

ARC Ratings (UK) Limited is registered as a Credit Rating Agency with the United Kingdom Financial Conduct Authority, within the scope of the Statutory Instrument N° 266/2019, of 13 February, and recognised as ECAI.

Credit Ratings assigned by ARC Ratings are independent and forward looking opinions on the capacity and willingness of an entity or the capacity of a transaction to make all required interest and principal payments on a given obligation in a timely manner interest and principal. The meaning of each rating category is explained in (link to the relevant rating scale). ARC's credit ratings are based on ARC's published rating criteria.

Ratings do not constitute a recommendation or offer or solicitation to buy or sell any investments that may be mentioned, and are only one of the factors that investors may wish to consider. The use of any rating is entirely at the user's own risk.

In the rating process, ARC Ratings adopts procedures and methodologies aimed at ensuring transparency, credibility and independence, and also that rating classifications are not influenced by conflicts of interest.

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