

Definition of Credit Ratings

Support Ratings

Rating	
1	A bank for which there is an extremely high probability of external support. The potential provider of support is very highly rated in its own right and has a very high propensity to support the bank in question. This probability of support indicates a minimum Long-term rating floor of 'A-'.
2	A bank for which there is a high probability of external support. The potential provider of support is highly rated in its own right and has a high propensity to provide support to the bank in question. This probability of support indicates a minimum Long-term rating floor of 'BBB-'.
3	A bank for which there is a moderate probability of support because of uncertainties about the ability or propensity of the potential provider of support to do so. This probability of support indicates a minimum Long-term rating floor of 'BB-'.
4	A bank for which there is a limited probability of support because of significant uncertainties about the ability or propensity of any possible provider of support to do so. This probability of support indicates a minimum Long-term rating floor of 'B'.
5	A bank for which external support, although possible, cannot be relied upon. This may be due to a lack of propensity to provide support or to very weak financial ability to do so. This probability of support indicates a Long-term rating floor no higher than 'B-' and in many cases no floor at all.

Short-term Ratings

Rating	
F1	Highest short-term credit quality. Indicates the strongest capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.
F2	Good short-term credit quality. A satisfactory capacity for timely payment of financial commitments, but the margin of safety is not as great as in the case of the higher ratings.
F3	Fair short-term credit quality. The capacity for timely payment of financial commitments is adequate; however, near-term adverse changes could result in a reduction to non-investment grade.

Long-term Rating Scales

Rating	Current Definition
AAA	Highest credit quality. 'AAA' ratings denote the lowest expectation of credit risk. They are assigned only in case of exceptionally strong capacity for timely payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.
AA	Very high credit quality. 'AA' ratings denote a very low expectation of credit risk. They indicate very strong capacity for timely payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
A	High credit quality. 'A' ratings denote a low expectation of credit risk. The capacity for timely payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than is the case for higher ratings.
BBB	Good credit quality. 'BBB' ratings indicate that there is currently a low expectation of credit risk. The capacity for timely payment of financial commitments is considered adequate, but adverse changes in circumstances and in economic conditions are more likely to impair this capacity. This is the lowest investment-grade category

Individual Ratings

Rating	
A	A very strong bank. Characteristics may include outstanding profitability and balance sheet integrity, franchise, management, operating environment or prospects.
B	A strong bank. There are no major concerns regarding the bank. Characteristics may include strong profitability and balance sheet integrity, franchise, management, operating environment or prospects
C	An adequate bank, which, however, possesses one or more troublesome aspects. There may be some concerns regarding its profitability and balance sheet integrity, franchise, management, operating environment or prospects.
D	A bank, which has weaknesses of internal and/or external origin. There are concerns regarding its profitability, substance and resilience, balance sheet integrity, franchise, management, operating environment or prospects. Banks in emerging markets are necessarily faced with a greater number of potential deficiencies of external origin.
E	A bank with very serious problems, which either requires or is likely to require external support.

Appendix 2

Country/Financial Institution	Credit Ratings											
	Fitch Rating					Moody's Ratings				S&P Ratings		
	Long Term Status	Long Term	Short Term	Viability	Support	Long Term Status	Long Term	Short Term	FSR	Long Term Status	Long Term	Short Term
Australia	SB	AAA	-	-	-	-	AAA	-	-	-	AAA	-
Australia and New Zealand Banking Group Ltd	SB	AA-	F1+	aa-	1	SB	Aa2	P-1	B-	SB	AA-	A+
Commonwealth Bank of Australia	SB	AA-	F1+	aa-	1	SB	Aa2	P-1	B-	SB	AA-	A-1+
National Australia Bank Ltd	SB	AA-	F1+	aa-	1	SB	Aa2	P-1	B-	SB	AA-	A-1+
Westpac Banking Corporation	SB	AA-	F1+	aa-	1	SB	Aa2	P-1	B-	SB	AA-	A-1+
Canada	-	AAA	-	-	-	-	AAA	-	-	-	AAA	-
Bank of Montreal	SB	AA-	F1+	aa-	1	SB	Aa3	P-1	C+	SB	A+	A-1
Bank of Nova Scotia	SB	AA-	F1+	aa-	1	SB	Aa2	P-1	B-	SB	A+	A-1
Canadian Imperial Bank of Commerce	SB	AA-	F1+	aa-	1	SB	Aa3	P-1	C+	SB	A+	A-1
Royal Bank of Canada	SB	AA	F1+	aa	1	SB	Aa3	P-1	C+	SB	AA-	A-1+
Toronto Dominion Bank	SB	AA	F1+	aa-	1	SB	Aa1	P-1	B	SB	AA-	A-1+
Finland	SB	AAA	-	-	-	SB	Aaa	-	-	SB	AAA	-
Nordea Bank AB	SB	AA-	F1+	aa-	1	SB	Aa3	P-1	C	NO	AA-	A-1+
Germany	SB	AAA	-	-	-	NO	Aaa	-	-	SB	AAA	-
Landwirtschaftliche Rentenbank	SB	AAA	F1+	-	1	NO	Aaa	P-1	-	SB	AAA	A-1+
NRW BANK	SB	AAA	F1+	-	1	NO	Aa1	P-1	-	SB	AA-	A-1+
Netherlands	NO	AAA	-	-	-	NO	Aaa	-	-	NO	AAA	-
Cooperatieve Centrale Ralffeisen Boerenieenbank BA	SB	AA	F1+	-	1	SB	Aa2	P-1		SB	AA-	A-1+
Singapore	SB	AAA	-	-	-	SB	Aaa	-	-	SB	AAA	-
DBS Bank Ltd	SB	AA-	F1+	aa-	1	NO	Aa1	P-1	B	SB	AA-	A-1+
Overseas Chinese Banking Corporation Ltd	SB	AA-	F1+	aa-	1	NO	Aa1	P-1	B	SB	AA-	A-1+
United Overseas Bank Ltd	SB	AA-	F1+	aa-	1	SB	Aa1	P-1	B	SB	AA-	A-1
Sweden	SB	AAA	-	-	-	SB	Aaa	-	-	SB	AAA	-
Svenska Handelsbanken AB	SB	AA-	F1+	aa-	1	SB	Aa3	P-1	C	NO	AA-	A-1
U.K	NO	AAA	-	-	-	DG SB	Aa1	-	-	NO	AAA	-
Bank of New York Mellon (International) Ltd	SB	AA-	F1+	-	1	-	-	-	-	-	-	-
HSBC Bank plc	SB	AA-	F1+	a+	1	NO	Aa3	P-1	C	NO	AA-	A-1+
Standard Chartered Bank	SB	AA-	F1+	aa-	1	SB	A1	P-1	B-	NO	AA-	A-1+
U.S.A	NO	AAA	-	-	-	NO	Aaa	-	-	NO	AA+	-
Bank of New York Mellon	SB	AA-	F1+	aa-	1	NO	Aa1	P-1	B	NO	AA-	A-1+
HSBC Bank plc	SB	AA-	F1+	a+	1	NO	Aa3	P-1	C	NO	AA-	A-1+
Northern Trust Company	SB	AA-	F1+	aa-	5	SB	Aa3	P-1	B	SB	AA-	A-1+
U.S. Bancorp	SB	AA-	F1+	aa-	5	SB	A1	P-1		SB	A+	A-1
Wells Fargo Bank NA	SB	AA-	F1+	aa-	1	SB	Aa3	P-1	C+	NO	AA-	A-1
Collateralised LA Deposits	-	AAA	-	-	-	-	Aaa	-	-	-	AAA	-
Debt Management Office	-	AAA	-	-	-	-	Aaa	-	-	-	AAA	-
Multilateral Development Banks	SB	AAA	-	-	-	SB	Aaa	-	-	SB	AAA	-
Supranationals	-	AAA	-	-	-	-	Aaa	-	-	-	AAA	-
U.K Gilts	-	AAA	-	-	-	-	Aaa	-	-	-	AAA	-
Lloyds Banking Group plc	SB	A	F1	bbb	1	NO	A3	-	-	NO	A-	A-2
Bank of Scotland Plc	SB	A	F1	-	1	NO	A2	P-1	-	NO	A	A-1
Lloyds TSB Bank Plc	SB	A	F1	bbb	1	NO	A2	P-1	C-	NO	A	A-1
Royal Bank of Scotland Group plc	SB	A	F1	bbb	1	NO	Baa1	P-2	-	SB	A-	A-2
National Westminster Bank Plc	SB	A	F1		1	NO	A3	P-2	D+	SB	A	A-1
The Royal Bank of Scotland Plc	SB	A	F1	bbb	1	NO	A3	P-2	D+	SB	A	A-1
Ulster Bank Ltd	SB	A-	F1	ccc	1	NO	Baa2	P-2	D-	S	BBB+	A-2