

Ratings On Eight South African Financial Institutions Lowered Following Similar Action On Sovereign

Primary Credit Analysts:

Matthew D Pirnie, Johannesburg (27) 11-214-4862; matthew.pirnie@spglobal.com

Samira Mensah, Johannesburg (27) 11-214-4869; samira.mensah@spglobal.com

Kuziva Murigo, Johannesburg +27 11 214 4866; Kuziva.Murigo@spglobal.com

- On Nov. 24, 2017, we lowered our long-term foreign currency ratings on South Africa to 'BB' from 'BB+'.
- We do not rate financial institutions in South Africa above the foreign currency sovereign ratings, given the direct and indirect impact that sovereign distress would have on domestic banks' operations.
- As a result, we are lowering our ratings on six financial institutions and two bank holding companies operating in South Africa.

JOHANNESBURG (S&P Global Ratings) Nov. 29, 2017--S&P Global Ratings said today that it had lowered its ratings on six South Africa-based financial institutions and two related holding companies, as well as its national scale rating on the domestic medium-term note (MTN) program issued by BNP Paribas through its local branch.

Specifically, the rating actions are as follows:

- Capitec Bank Ltd.: We lowered the long-term issuer credit rating to 'BB' from 'BB+' and affirmed the 'B' short-term issuer credit rating. The outlook is stable. We also lowered our long-term South Africa national scale rating to 'zaAA-' from 'zaAA' and affirmed the 'zaA-1+' short-term national scale rating.
- FirstRand Bank Ltd.: We lowered the long-term issuer credit rating to 'BB' from 'BB+' and affirmed the 'B' short-term issuer credit rating. The outlook is stable. We also lowered our long-term South Africa national scale rating to 'zaAA-' from 'zaAA' and affirmed the 'zaA-1+' short-term

Ratings On Eight South African Financial Institutions Lowered Following Similar Action On Sovereign

national scale rating.

- FirstRand Ltd. (nonoperating holding company): We lowered our long-term issuer credit rating to 'B+' from 'BB-' and affirmed the 'B' short-term issuer credit rating. The outlook is stable. We lowered our long-term South Africa national scale rating to 'zaBBB+' from 'zaA-' and affirmed the 'zaA-2' short-term national scale rating.
- Nedbank Ltd.: We lowered the long-term issuer credit rating to 'BB' from 'BB+' and affirmed the 'B' short-term issuer credit rating. The outlook is stable. We also lowered our long-term South Africa national scale rating to 'zaAA-' from 'zaAA' and affirmed the 'zaA-1+' short-term national scale rating.
- Investec Bank Ltd.: We lowered the long-term issuer credit rating to 'BB' from 'BB+' and affirmed the 'B' short-term issuer credit rating. The outlook is stable. We also lowered our long-term South Africa national scale rating to 'zaAA-' from 'zaAA' and affirmed the 'zaA-1+' short-term national scale rating.
- Absa Bank Ltd.: We lowered our long-term South Africa national scale rating to 'zaAA-' from 'zaAA' and affirmed the 'zaA-1+' short-term national scale rating.
- Barclays Africa Group Ltd. (nonoperating holding company): We lowered our long-term South Africa national scale rating to 'zaBBB+' from 'zaA-' and affirmed the 'zaA-2' short-term national scale rating.
- BNP Paribas Personal Finance South Africa Ltd.: We lowered our long-term South Africa national scale rating to 'zaAA-' from 'zaAA' and affirmed the 'zaA-1+' short-term national scale rating. We affirmed the ratings on the parent-guaranteed domestic medium-term note (MTN) program at 'zaAAA'.
- Finally, we lowered our long-term national scale rating on the South African rand (ZAR) 10 billion MTN program issued by BNP Paribas (acting through the South Africa branch) to 'zaAA-' from 'zaAA'.

The rating actions follow our downgrade of South Africa (see "South Africa Ratings Lowered On Weakening Economic And Fiscal Trajectory; Outlook Stable," published Nov. 24, 2017, on RatingsDirect). We lowered our ratings on South Africa because of our view of further deterioration of South Africa's economic outlook and its public finances. In our view, economic decisions in recent years have largely focused on the distribution--rather than the growth of--national income. As a consequence, South Africa's economy has stagnated and external competitiveness has eroded. We expect that offsetting fiscal measures will be proposed in the forthcoming 2018 budget in February next year, but these may be insufficient to stabilize public finances in the near term, contrary to our previous expectations.

We lowered our ratings on the financial institutions because we do not rate South African banks above the foreign currency sovereign credit ratings. This is because of the likely direct and indirect influence of sovereign distress on domestic banks' operations, including their ability to service foreign currency obligations.

Despite the operating environment, the South African banking sector's

performance has outperformed our expectations. Rated top-tier banks' average return on assets improved marginally to 1.61% in first-half 2017 from 1.55% in 2016. Nevertheless, the overall banking sector growth has been in line with inflation in 2017. We continue to believe that domestic households pose the most significant source of risk for the banks because of their relatively high debt and low wealth levels compared with other emerging markets. Overall, we anticipate that credit losses for the top-tier banks will stabilize at 0.7%-1.0% in 2017, which should maintain profitability at current levels.

The South African regulator continues to be an early adopter of global regulatory best practices. We expect the Basel III framework to be fully implemented by 2019. International Financial Reporting Standards (IFRS) rule No. 9 will take effect on Jan. 1, 2018. Furthermore, we continue to believe that deposit insurance, and ultimately an effective resolution regime, will be introduced over the next 12-18 months. Despite some political pressure, the South Africa Reserve Bank (the central bank) remains resolutely independent.

South African banks continue to be reliant on concentrated short-to-medium-term wholesale funding from nonbank financial institutions (NBFIs), since retail savings are low and contractual savings tend to be dominated by professional money managers. We believe that this systemwide risk is mitigated somewhat by the fact that, in a crisis, rand liquidity will remain in the country because of resident exchange controls. Furthermore, the major banks are not exposed to large-scale refinancing risk or a reversal of investor sentiment, thanks to their lack of exposure to international funding. This is an important differentiator to other emerging market banking sectors. Nevertheless, we believe that the lower sovereign ratings and ratings on the banks could limit access to external funding, whether it be through pricing or availability. As a result, we have revised down our banking industry country risk assessment (BICRA) industry risk score to '5' from '4', but we maintained our overall BICRA at '5'.

CAPITEC BANK LTD.

We lowered our ratings on Capitec Bank Ltd. in line with the sovereign foreign currency ratings. The higher risk weighting, caused by the weaker sovereign ratings, in our risk-adjusted capital (RAC) ratio has also brought down our capital score to strong from very strong. We now expect the bank to maintain a still sound RAC ratio of around 14.5% over the next 12-18 months. This fact, alongside the robust levels of provisioning and strong earnings of the entity, despite inherently high credit losses due to the focus on unsecured consumer lending, has led us to improve the risk position to moderate from weak. We continue to expect credit losses at 13.5% and charge-offs at 11% over the next 12-18 months. We continue to see the business risk position as moderate, reflecting the bank's strong and growing retail customer base and good revenue diversification, albeit concentrated in retail banking. As a result, we are maintaining our view of the stand-alone credit profile at 'bb+'.

The stable outlook on Capitec Bank reflects the outlook on the sovereign, as well as our belief that the bank will continue to generate strong earnings and

Ratings On Eight South African Financial Institutions Lowered Following Similar Action On Sovereign

robust capital levels over the next 12-18 months, despite the lower economic growth and political volatility in the country. We also expect the bank's funding and liquidity to continue comparing well with the sector. We could lower the rating if an unanticipated credit loss event were to occur that structurally threatened the bank's capital or provisioning levels, or if the funding base proves to be less stable than our current expectations.

FIRSTRAND BANK LTD.

We lowered the ratings on FirstRand Bank in line with the sovereign foreign currency ratings. We have also revised down the bank's SACP to 'bbb-' from 'bbb' because of the higher risk weightings in our capital model, caused by the weaker sovereign ratings and the anticipated impact of the pending acquisition of Aldermore, alongside the impact of IFRS 9. We expect the RAC ratio will remain around 6.5% over the next 12-18 months, which still compares quite well with top-tier domestic banking peers. Should our expectations regarding the acquisition of Aldermore not materialize, we could revise our capital assessment back to adequate. The stable outlook reflects the outlook on South Africa.

FIRSTRAND LTD.

We lowered the ratings on FirstRand Ltd., the nonoperating holding company of the FirstRand Group, as they remain structurally subordinated to the ratings on the bank.

NEDBANK LTD.

We lowered the ratings on Nedbank Ltd. in line with the sovereign foreign currency ratings. We continue to assess the SACP at 'bbb-'. The higher risk weightings in our capital model are the result of the weaker sovereign ratings. We forecast that our RAC ratio will range between 5%-5.5% over the next 12-18 months and capital and earnings will remain neutral for the ratings. The stable outlook reflects the outlook on South Africa.

INVESTEC BANK LTD.

We lowered the ratings on Investec Bank Ltd. in line with the sovereign foreign currency ratings. We continue to assess the SACP at 'bbb-'. The higher risk weightings in our capital model are the result of the weaker sovereign ratings. We now expect the bank to maintain a RAC ratio of around 7%-7.25% over the next 12-18 months, which still compares quite well with domestic banking peers. The bank has demonstrated a superior credit loss ratio to all South African rated peers over the past six years, with an average cost of risk below 0.5%, compared with a sector average of 1.1%-1.3%. We believe Investec Bank's cost of risk bottomed out at 0.3% in 2016, but we fully expect losses to continue to outperform those of domestic peers. The stable outlook reflects the outlook on South Africa.

ABSA BANK LTD.

We lowered the ratings on Absa Bank Ltd. in line with the sovereign foreign currency ratings. We continue to assess the SACP at 'bbb-'. The higher risk weightings in our capital model are the result of the weaker sovereign

Ratings On Eight South African Financial Institutions Lowered Following Similar Action On Sovereign

ratings. We forecast that our RAC ratio will range between 5% and 5.5% over the next 12-18 months and that capital and earnings will remain neutral for the ratings. We expect the group will continue to perform in line with our expectations for the South African banking sector, posting a cost of risk of 1% and nonperforming loans of about 4.4% over the next 12-18 months, in line with our expectations for the sector average.

BARCLAYS AFRICA GROUP LTD.

We lowered the ratings on Barclays Africa Group Ltd., the nonoperating holding company of the Barclays Africa Group, as they remain structurally subordinated to the main operating bank.

BNP PARIBAS PERSONAL FINANCE SOUTH AFRICA LTD.

We lowered the national scale ratings on BNP Paribas Personal Finance South Africa Ltd. in line with the sovereign national scale ratings. In general, we do not rate nonbank financial institutions above the foreign currency ratings of the country of domicile, even when the institution is part of a highly rated banking group. We therefore cap the ratings on the entity to reflect its very high exposure to South Africa--accounting for over 95% of credit exposures--dependence on local funding markets, and the potential for direct and indirect regulatory intervention affecting the group. The ratings are supported by our opinion that the company is a highly strategic subsidiary of BNP Paribas Personal Finance S.A. and, in turn, France-based BNP Paribas. Our opinion of the subsidiary's high strategic importance remains underpinned by its 100% ownership by BNP Paribas and the strong ongoing support it receives, illustrated by the amount and quality of funding provided by the French parent. The ratings on the guaranteed domestic MTN program remain unchanged.

BNP PARIBAS

The national scale ratings on the ZAR10 billion domestic MTN program are supported by the global scale ratings on BNP Paribas but constrained by the foreign currency sovereign credit ratings on South Africa.

SOUTH AFRICAN BANKING INDUSTRY COUNTRY RISK ASSESSMENT

	To	From
BICRA Group	5	5
Economic Risk	6	6
Economic Resilience	Very high	Very high
Economic Imbalances	Low	Low
Credit Risk in the Economy	High	High
Industry Risk	5	4
Institutional Framework	Intermediate	Intermediate
Competitive Dynamics	Intermediate	Intermediate
Systemwide Funding	High	Intermediate
Government Support	Uncertain	Uncertain

Ratings On Eight South African Financial Institutions Lowered Following Similar Action On Sovereign

RATINGS SCORE SNAPSHOT

Capitec Bank Ltd.

	To	From
Issuer Credit Rating	BB/Stable/B	BB+/Negative/B
National Scale	zaAA-/zaA-1+	zaAA/zaA-1+
SACP	bb+	bb+
Anchor	bbb-	bbb-
Business Position	Moderate (-1)	Moderate (-1)
Capital and Earnings	Strong (+1)	Very strong (+2)
Risk Position	Moderate (-1)	Weak (-2)
Funding	Average and	Average and
And Liquidity	Strong (0)	Strong (0)
Support	0	0
Additional	-1	0

FirstRand Bank Ltd.

	To	From
Issuer Credit Rating	BB/Stable/B	BB+/Negative/B
National Scale	zaAA-/zaA-1+	zaAA/zaA-1+
SACP	bbb-	bbb
Anchor	bbb-	bbb-
Business Position	Strong (+1)	Strong (+1)
Capital and Earnings	Moderate (-1)	Adequate (0)
Risk Position	Adequate (0)	Adequate (0)
Funding	Average and	Average and
And Liquidity	Adequate (0)	Adequate (0)
Support	0	0
Additional	-2	-2

Nedbank Ltd.

	To	From
Issuer Credit Rating	BB/Stable/B	BB+/Negative/B
National Scale	zaAA-/zaA-1+	zaAA/zaA-1+
SACP	bbb-	bbb-
Anchor	bbb-	bbb-
Business Position	Strong (+1)	Strong (+1)
Capital and Earnings	Moderate (-1)	Moderate (-1)
Risk Position	Adequate (0)	Adequate (0)
Funding	Average and	Average and
And Liquidity	Adequate (0)	Adequate (0)
Support	0	0
Additional	-2	-1

Ratings On Eight South African Financial Institutions Lowered Following Similar Action On Sovereign

Investec Bank Ltd.

	To	From
Issuer Credit Rating	BB/Stable/B	BB+/Negative/B
National Scale	zaAA-/zaA-1+	zaAA/zaA-1+
SACP	bbb-	bbb-
Anchor	bbb-	bbb-
Business Position	Adequate (0)	Adequate (0)
Capital and Earnings	Adequate (0)	Adequate (0)
Risk Position	Adequate (0)	Adequate (0)
Funding	Average and	Average and
And Liquidity	Adequate (0)	Adequate (0)
Support	0	0
Additional	-2	-1

Absa Bank Ltd.

	To	From
Issuer Credit Rating	N.A.	N.A.
National Scale	zaAA-/zaA-1+	zaAA/zaA-1+
SACP	bbb-	bbb-
Anchor	bbb-	bbb-
Business Position	Strong (+1)	Strong (+1)
Capital and Earnings	Moderate (-1)	Moderate (-1)
Risk Position	Adequate (0)	Adequate (0)
Funding	Average and	Average and
And Liquidity	Adequate (0)	Adequate (0)
Support	0	0
Additional	-2	-1

BNP Paribas Personal Finance South Africa Ltd.

	To	From
Issuer Credit Rating	N.A.	N.A.
National Scale	zaAA-/zaA-1+	zaAA/zaA-1+
SACP	b+	b+
Anchor	bb-	bb-
Business Position	Moderate (-1)	Moderate (-1)
Capital and Earnings	Very strong (+2)	Very strong (+2)
Risk Position	Weak (-2)	Weak (-2)
Funding	Average and	Average and
And Liquidity	Adequate (0)	Adequate (0)
Group Support	4	4
Additional	0	0

RELATED CRITERIA

- General Criteria: S&P Global Ratings' National And Regional Scale Mapping

Ratings On Eight South African Financial Institutions Lowered Following Similar Action On Sovereign

Tables, Aug. 14, 2017

- Criteria - Financial Institutions - General: Risk-Adjusted Capital Framework Methodology, July 20, 2017
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings , April 7, 2017
- General Criteria: Guarantee Criteria, Oct. 21, 2016
- Criteria - Financial Institutions - Banks: Bank Rating Methodology And Assumptions: Additional Loss-Absorbing Capacity, April 27, 2015
- Criteria - Financial Institutions - Banks: Bank Hybrid Capital And Nondeferrable Subordinated Debt Methodology And Assumptions, Jan. 29, 2015
- General Criteria: Principles For Rating Debt Issues Based On Imputed Promises, Dec. 19, 2014
- Criteria - Financial Institutions - General: Nonbank Financial Institutions Rating Methodology, Dec. 9, 2014
- General Criteria: National And Regional Scale Credit Ratings, Sept. 22, 2014
- General Criteria: Group Rating Methodology, Nov. 19, 2013
- General Criteria: Ratings Above The Sovereign--Corporate And Government Ratings: Methodology And Assumptions, Nov. 19, 2013
- Criteria - Financial Institutions - Banks: Assessing Bank Branch Creditworthiness, Oct. 14, 2013
- Criteria - Financial Institutions - Banks: Quantitative Metrics For Rating Banks Globally: Methodology And Assumptions, July 17, 2013
- Criteria - Financial Institutions - Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Nov. 9, 2011
- Criteria - Financial Institutions - Banks: Banks: Rating Methodology And Assumptions, Nov. 9, 2011
- General Criteria: Use Of CreditWatch And Outlooks, Sept. 14, 2009
- Criteria - Financial Institutions - Banks: Commercial Paper I: Banks, March 23, 2004

RELATED RESEARCH

- South Africa Ratings Lowered On Weakening Economic And Fiscal Trajectory; Outlook Stable, Nov. 24, 2017

RATINGS LIST

	To	From
Capitec Bank Ltd.		
Issuer Credit Rating	BB/Stable/B	BB+/Negative/B
South Africa national Scale	zaAA/--/zaA-1+	zaAA/--/zaA-1+
FirstRand Bank Ltd.		
Issuer Credit Rating	BB/Stable/B	BB+/Negative/B
South Africa national Scale	zaAA/--/zaA-1+	zaAA/--/zaA-1+
Senior Unsecured	BB	BB+
Subordinated	B+	BB-
Subordinated	zaA	zaA+

Ratings On Eight South African Financial Institutions Lowered Following Similar Action On Sovereign

Junior Subordinated	zaBBB+	zaA-
FirstRand Ltd.		
Issuer Credit Rating	B+/Stable/B	BB-/Negative/B
South Africa national scale	zaBBB+/--/zaA-2	zaA-/--/zaA-2
Nedbank Ltd.		
Issuer Credit Rating	BB/Stable/B	BB+/Negative/B
South Africa national Scale	zaAA/--/zaA-1+	zaAA/--/zaA-1+
Investec Bank Ltd.		
Issuer Credit Rating	BB/Stable/B	BB+/Negative/B
South Africa national Scale	zaAA/--/zaA-1+	zaAA/--/zaA-1+
Absa Bank Ltd.		
South Africa national Scale	zaAA/--/zaA-1+	zaAA/--/zaA-1+
Barclays Africa Group Ltd.		
South Africa national Scale	zaBBB+/--/zaA-2	zaA-/--/zaA-2
BNP Paribas Personal Finance South Africa Ltd.		
South Africa national Scale	zaAA/--/zaA-1+	zaAA/--/zaA-1+
ZAR10 bil DMTN program	zaAAA	zaAAA
BNP Paribas (through the South Africa branch)		
ZAR10 bil DMTN program	zaAA-	zaAA

REGULATORY DISCLOSURES

Capitec Bank Ltd.

- Primary credit analyst: Matthew Pirnie, Director
- Chairperson: John Gibling
- Date initial ratings assigned: Oct. 13, 2015
- Date of previous review: Sept. 5, 2017

FirstRand Bank Ltd.

- Primary credit analyst: Samira Mensah, Associate Director
- Chairperson: John Gibling
- Date initial ratings assigned: Oct. 29, 1999
- Date of previous review: April 5, 2017

FirstRand Ltd.

- Primary credit analyst: Samira Mensah, Associate Director
- Chairperson: John Gibling
- Date initial ratings assigned: April 14, 2011
- Date of previous review: April 5, 2017

Ratings On Eight South African Financial Institutions Lowered Following Similar Action On Sovereign

Nedbank Ltd.

- Primary credit analyst: Samira Mensah, Associate Director
- Chairperson: John Gibling
- Date initial ratings assigned: Dec. 10, 2012
- Date of previous review: June 27, 2017

Investec Bank Ltd.

- Primary credit analyst: Samira Mensah, Associate Director
- Chairperson: John Gibling
- Date initial ratings assigned: Feb. 19, 2014
- Date of previous review: April 20, 2017

Absa Bank Ltd.

- Primary credit analyst: Samira Mensah, Associate Director
- Chairperson: John Gibling
- Date initial ratings assigned: Nov. 30, 2015
- Date of previous review: Aug. 7, 2017

Barclays Africa Group Ltd.

- Primary credit analyst: Samira Mensah, Associate Director
- Chairperson: John Gibling
- Date initial ratings assigned: Nov. 30, 2015
- Date of previous review: Aug. 7, 2017

BNP Paribas Personal Finance South Africa Ltd.

- Primary credit analyst: Kuzivakwashe Murigo, Ratings Analyst
- Chairperson: John Gibling
- Date initial ratings assigned: Nov. 15, 2016
- Date of previous review: Aug. 7, 2017

DISCLAIMERS

All the credit ratings are solicited. The rated entities did participate in the credit rating process. S&P Global Ratings did have access to the accounts, financial records and other relevant internal, non-public documents of the rated entities or a related third party. S&P Global Ratings has used information from sources believed to be reliable but does not guarantee the accuracy, adequacy, or completeness of any information used.

All the ratings have been determined by a rating committee based solely on the committee's independent evaluation of the credit risks and merits of the issuer or issue being rated in accordance with S&P Global Ratings' published criteria and no part of this rating was influenced by any other business activities of S&P Global Ratings.

GLOSSARY

- **Anchor:** The starting point for assigning a bank a long-term rating, based on economic and industry risk.
- **Business position:** A measure of the strength of a bank's business operations.
- **Capital and earnings:** A measure of a bank's ability to absorb losses.
- **Cost of risk:** As a percentage of total loans, the charge for bad and doubtful debts.
- **Counterparty credit rating:** A form of issuer credit rating, which is a forward-looking opinion about an obligor's overall creditworthiness.
- **Date initial rating assigned:** The date S&P Global Ratings assigned the long-term foreign currency issuer credit rating on the entity.
- **Date of previous review:** The date S&P Global Ratings last reviewed the credit rating on the entity.
- **Funding and liquidity:** A combined assessment of the strength and stability of a bank's funding mix and its ability to manage its liquidity needs in adverse market and economic conditions over an extended period.
- **Government-related entity (GRE) support:** An assessment of the likelihood that the government would provide extraordinary support to a bank that is a government-related entity.
- **Group credit profile (GCP):** S&P Global Ratings' opinion of a group's creditworthiness as if the group were a single legal entity, and is conceptually equivalent to an ICR. A GCP does not address any specific obligation.
- **Group support:** An assessment of the likelihood that a parent or other group member would provide extraordinary support to a bank within that group.
- **National scale rating:** An opinion of an obligor's creditworthiness or overall capacity to meet specific financial obligations, relative to other issuers and issues in a given country or region.
- **Risk position:** Our view of the specific risk characteristics of a particular bank.
- **Return on equity (ROE):** Annualized net income after preferred dividends divided by average common equity.
- **Stand-alone credit profile (SACP):** An interim step in assessing a bank's overall creditworthiness. It includes government support, but not extraordinary government support.
- **Sovereign support:** An assessment of the likelihood that the government would provide extraordinary support to a bank.

Additional Contact:

Financial Institutions Ratings Europe; FIG_Europe@spglobal.com

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such

Ratings On Eight South African Financial Institutions Lowered Following Similar Action On Sovereign

criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on the S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column. Alternatively, call one of the following S&P Global Ratings numbers: Client Support Europe (44) 20-7176-7176; London Press Office (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow 7 (495) 783-4009.

Copyright © 2017 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com and www.globalcreditportal.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.