

# GUIDE TO BEST'S NATIONAL SCALE RATINGS – (NSR)

A Best's National Scale Rating (NSR) is a relative measure of creditworthiness in a specific local jurisdiction that is issued on a long-term basis and derived exclusively by mapping the NSR from a corresponding global Issuer Credit Rating (ICR) using a transition chart. An NSR is only comparable to other NSRs within the same country, as denoted by the specific country code suffix ("XX") attached to each NSR, and not across countries; therefore, impairment statistics cannot be compared directly to a national rating. However, since the global rating is assigned as the base for the national rating, impairment rates can be inferred. In cases where one global ICR level maps to more than one NSR level, a rating committee will determine which level, in accordance with the mapping, is appropriate given the relative financial strength of the entity to meet senior financial obligations. For more information on the ICR to NSR mapping chart and other relevant information refer to "Best's Rating Methodology" available on the AM Best website. In addition, an NSR may be displayed with a rating identifier or modifier that denotes a unique aspect of the opinion.

## Best's National Scale Rating (NSR) Scale

| Rating Categories | Rating Symbols | Rating Notches*   | Category Definitions   |
|-------------------|----------------|-------------------|--|
| Exceptional       | aaa.XX         | -                 | Assigned to entities that have, in our opinion, an exceptional ability to meet their ongoing senior financial obligations relative to other national entities. |
| Superior          | aa.XX          | aa+.XX / aa-.XX   | Assigned to entities that have, in our opinion, a superior ability to meet their ongoing senior financial obligations relative to other national entities.     |
| Excellent         | a.XX           | a+.XX / a-.XX     | Assigned to entities that have, in our opinion, an excellent ability to meet their ongoing senior financial obligations relative to other national entities.   |
| Good              | bbb.XX         | bbb+.XX / bbb-.XX | Assigned to entities that have, in our opinion, a good ability to meet their ongoing senior financial obligations relative to other national entities.         |
| Fair              | bb.XX          | bb+.XX / bb-.XX   | Assigned to entities that have, in our opinion, a fair ability to meet their ongoing senior financial obligations relative to other national entities.         |
| Marginal          | b.XX           | b+.XX / b-.XX     | Assigned to entities that have, in our opinion, a marginal ability to meet their ongoing senior financial obligations relative to other national entities.     |
| Weak              | ccc.XX         | ccc+.XX / ccc-.XX | Assigned to entities that have, in our opinion, a weak ability to meet their ongoing senior financial obligations relative to other national entities.         |
| Very Weak         | cc.XX          | -                 | Assigned to entities that have, in our opinion, a very weak ability to meet their ongoing senior financial obligations relative to other national entities.    |
| Poor              | c.XX           | -                 | Assigned to entities that have, in our opinion, a poor ability to meet their ongoing senior financial obligations relative to other national entities.         |

\* Best's National Scale Rating Categories from "aa" to "ccc" include Rating Notches to reflect a gradation within the category to indicate whether credit quality is near the top or bottom of a particular Rating Category. Rating Notches are expressed with a "+" (plus) or "-" (minus).

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