

Rating Symbols
(S&P/Fitch/Moody's)

<u>Investment Grade</u>		<u>Non-Investment Grade</u>	
<u>Long Term</u>	<u>Short Term</u> ¹	<u>Long Term</u>	Short Term
AAA/AAA/Aaa	A-1/F1+/P-1	BB+/BB+//Ba1	/B/
AA+/AA+/Aa1		BB/BB/Ba2	
AA/AA/Aa2		BB-/BB-/Ba3	
AA-/AA-/Aa3	A-2/ /P-2	B+/B+/B1	
A+/A +/A1	/ F1 or F2 /	B/B/B2	
A/A/A2		B-/B-/B3	
A-/A/-A3	A-3/F1 or F2/P-3	CCC+/CCC+/Caa1	/C/
BBB+/BBB+/Baa1	/F2/	CCC/CCC/Caa2	
BBB/BBB/Baa2	A-3/F2 or F3/P-3	CCC-/CCC- /Caa3	
BBB-/BBB-/Baa3	NP/F2 or F3/NP	CC/CC/Ca	
		C/C	
		SD/RD	/D/
		D/D	

“A” rated issues are “of satisfactory credit quality. Protection of interest and principal is still substantial, but the degree of strength is less than that of AA rated entities. While ‘A’ is a respectable rating, entities in this category are considered to be more susceptible to adverse economic conditions and have greater cyclical tendencies than higher-rated securities.”²

The definition for the lowest investment grade category, BBB/Baa (including the +, -, high, low, 1, 2, and 3 gradations) means they are “subject to moderate credit risk. They are considered medium-grade and as such may possess certain speculative characteristics.”³

¹ A-3/P-3 ratings usually correspond to BBB/Baa2 long term ratings of S&P and Moody's, respectively. These companies cannot generally access the commercial paper market.

² Moody's ratings definitions, Moody's Sourcebook, Power and Energy Company, October 2004; S&P's and Fitch Ratings' definitions, while using different words, are essentially the same in concept.

³ *IBID*