

Egan-Jones Approach to rating Collateralized Loan Obligations (a Non-NRSRO rating)

EJR's Key Rating Features & Differences Compared with Other NRSROs (see our "Collateralized Loan Obligation (CLO) Rating Methodology (non-NRSRO)" for a more complete description):

1. Our ratings are derived from estimated losses.
2. Generally, our ratings are more heavily model driven and consider fewer subjective or qualitative assumptions.
3. EJRs updates the cashflow and ratings, typically, monthly based on the availability of trustee reports.
4. EJRs analysis is conducted using information and cash flow engines supplied by a well-known and historically credible industry service provider.

EJR provides independent ratings (i.e., not paid by issuer/originator/arranger) for structured finance products.

EJR is not registered as a Nationally Recognized Statistical Rating Organization (NRSRO) with the Securities and Exchange Commission in respect of "Asset-Backed Securities" and any rating is not being issued or maintained by EJRs in its capacity as an NRSRO.