

Appendix A

DRAFT DEFINITIONS

DRAFT DEFINITIONS

“credit rating” means an opinion expressed using an established and defined ranking system of rating categories, primarily regarding the creditworthiness of -

- (a) a person other than an individual;
- (b) the government of a sovereign country, including the Government of Singapore; or
- (c) securities.

“rating category” means a rating symbol, such as a letter or numerical symbol which might be accompanied by appending identifying characters, used in a credit rating to provide a relative measure of risk to distinguish the different risk characteristics of the types of rated entities, issuers and financial instruments or other assets.

“providing credit rating services” means preparing, whether wholly or partly in Singapore, credit ratings in relation to activities in the securities and futures industry for -

- (a) disseminating to the public or a section of the public, whether in Singapore or elsewhere, or with a reasonable expectation that they will be so disseminated; or
- (b) distributing by subscription, whether in Singapore or elsewhere, or with a reasonable expectation that they will be so distributed,

but does not include -

- (i) preparing a private credit rating pursuant to an individual order which is intended to be provided exclusively to the person who placed the order and not intended for public disclosure or distribution by subscription; or
- (ii) preparing credit scores, credit scoring systems or similar assessments related to obligations arising from consumer, commercial or industrial relationships.