BANK OF ENGLAND CONSOLIDATED MARKET NOTICE: DISCOUNT WINDOW FACILITY

1 This Market Notice describes the operation of the Bank’s Discount Window Facility (DWF). It replaces previous Market Notices relevant to the DWF. Other than as amended by this Market Notice, the Terms and Conditions for participation in the Bank’s Sterling Monetary Framework will apply to the DWF.

2 The Bank is in the first phase of implementation of the DWF. In its consultative paper of 16 October 2008 the Bank made clear that the population of eligible collateral will be broad and will be widened over time, to include for example certain diversified portfolios of equities and possibly loans. The Bank also plans over time to establish detailed eligibility criteria for collateral covering, for example for securitised assets, both the structure of securitisations and the composition of the underlying collateral pools. The Bank will issue updates and refinements in due course, following consultation with market participants and analysts.

3 The DWF operates as follows:

Purpose of the Facility

4 The purpose of the DWF is to provide liquidity insurance to the banking system. The DWF is not intended for firms facing fundamental problems of solvency or viability.

5 Institutions eligible to participate are banks and building societies that are subject to the statutory CRD regime – that is all institutions that report Eligible Liabilities to the Bank and which otherwise meet the requirements for eligibility, as determined by the Bank, for the Bank’s other Sterling Monetary Framework facilities.

Gilts loaned by the Bank

6 Under the DWF, HM Government gilt-edged securities (“gilts”) are lent against collateral as listed below. Gilts are delivered by the Bank using the CREST ‘Delivery-by-Value’ (DBV) facility or, at the request of a participant and subject to the Bank’s consent, in the form of a basket of specific gilts as determined by the Bank. Gilts delivered in DBV comprise the DBV class ‘Unstripped UK government
stock (UBG)’. Gilts delivered in the form of a basket of specific gilts comprise conventional gilts excluding rump stocks.

7 The DWF is not a facility to obtain particular gilts, for example those trading ‘special’ in the repo market. That would be contrary to the purpose of the DWF and could interfere with HMG’s debt management policy and operations, which are the responsibility of HM Treasury and the UK Debt Management Office.

8 At its discretion, in exceptional circumstances, the Bank may agree to lend sterling cash, rather than gilts, against eligible collateral.

9 Banks are not permitted to borrow gilts from the DWF simply to use them in the Operational Standing Lending Facility in order to obtain cash against DWF eligible collateral. That would be contrary to the purpose of the Operational Standing Facilities, which is to give banks a means to manage short-term frictional problems in the payment systems and overnight money markets. Gilts borrowed in the DWF may be used as collateral in the Bank’s Open Market Operations.

Applications to draw under the DWF

10 All drawings under the DWF are subject to approval by the Bank. Given the purposes of the DWF and its above-normal-market pricing, the Bank expects institutions to use it as a backup rather than a regular source of liquidity. The Bank has the right to ask about the circumstances that have given rise to any application. Depending on those circumstances, the Bank may ask the applicant to provide further information at the point of drawdown, and subsequently during their use of the DWF.

11 Following pre-positioning of eligible securities with the Bank, authorised drawing requests should be initiated by phone to the Bank’s Sterling Markets Division. Requests made before 14.00 will settle on the day of the drawing request.

12 The Bank will seek to accommodate requests made after that time on a best endeavours basis. Participants should nevertheless seek to contact the Bank, as soon as possible on the day of an application to draw, if not earlier, to discuss their application for use.
Term of the transactions

13 The term of the transactions will normally be for 30 days. With effect from 2 February 2009, the Bank is also giving the option to apply to draw for a term of 364 days. At the time of requesting a drawing, participants should specify whether they are requesting to draw for 30 or for 364 days.

14 Participants have the option to repay at any time.

15 Participants may apply to roll DWF transactions, to which the Bank may at its discretion consent.

16 At its discretion, and in the light of market conditions and the degree of stress facing the financial system, the Bank may choose to vary the maturity of loans under the DWF.

Eligible collateral

17 The population of eligible collateral is broad and will be developed over time. The initial list is set out in Annex 1 to this notice.

18 Instruments eligible as collateral is classified into four Levels. Initially:

- **Level A collateral** consists of high-quality debt securities that are routinely eligible as collateral in the Bank’s short-term repo Open Market Operations and Operational Standing Lending Facility, as published on the Bank’s website.¹

- **Level B collateral** consists of third-party debt securities that are, in the Bank’s judgment, trading in liquid markets.

- **Level C collateral** consists of other third-party debt securities including those that are not trading in liquid markets in the Bank’s judgment.

- **Level D collateral** consists of own-name securitisations and own-name covered bonds.

¹ [http://www.bankofengland.co.uk/markets/money/narrowomocollateral.htm](http://www.bankofengland.co.uk/markets/money/narrowomocollateral.htm)
‘Third-party securities’ are defined as those issued, originated or guaranteed by persons without close links, as determined by the Bank, to the institution, or by entities not in the same group as the institution, entering into the transaction under the Discount Window Facility. ‘Own-name securitisations’ and ‘own-name covered bonds’ are defined as those issued, originated or guaranteed by persons with close links, as determined by the Bank, to the institution, or by entities in the same group as the institution, entering into the transaction under the Discount Window Facility.

Given current market conditions, the Bank expects that, with the exception of securities routinely eligible as collateral in its short-term repo OMOs, most of the instruments listed in Annex 1 will initially be placed within Levels C or D. In due course, and after any appropriate consultation, the Bank may publish a list of instruments by Level. In the meantime the Bank will confirm on application the collateral Level into which a particular instrument is placed.

Instruments may be deemed ineligible if the Bank judges that they were created for the express purpose of obtaining funding from the Bank.

Lists of collateral securities to be checked for eligibility by the Bank ahead of pre-positioning, should be submitted to the Bank at the following address: eligible.securities@bankofengland.co.uk. They should be accompanied by a formal assurance of compliance with the criteria specified above and in Annex 1. Participants have a responsibility to ensure that collateral securities comply with the Bank’s eligibility criteria.

The Bank forms its own independent view of the risks in the collateral it takes in its operations and reserves the right to reject any security offered or provided as collateral, for any reason, at any time. Should collateral be downgraded below the minimum credit ratings set out below, the Bank would normally seek to understand the circumstances of the downgrade before determining whether that merited any change to the security's eligibility.

**Haircuts**

Haircuts to be applied to eligible collateral are set out in Annex 2 to this Notice. Annex 2 also sets out the circumstances in which additional haircuts are
applied including, amongst other things, where securities are denominated in currencies other than sterling; where securities have no observable market price; where previously AAA asset-backed securities have been downgraded; and where the quality of the underlying collateral pool warrants a higher haircut in the Bank’s judgment.

**Valuations**

25 Eligible collateral is valued by the Bank, where possible using observed market prices that the Bank deems independent, reliable and routinely publicly available. The Bank reserves the right to use its own calculated prices. If, in the Bank’s judgment, an independent market price is unavailable, the Bank will use its own calculated price and apply a higher haircut. The Bank’s valuation is binding.

**Fee**

26 The fee payable on use of the DWF varies according to the Level of collateral and the total stock of borrowing by the participant, relative to the size of the aggregate sterling eligible liabilities of all entities in the group, as used for the calculation of the most recent payment of CRDs; and, so long as the 364-day drawing option is open, according to the initial maturity of borrowing.

27 Each counterparty incurs a fee on each day dependent on the type of collateral and level of usage of the DWF on that day. Fees are available from the Bank each day.

*Fee table for drawings of gilts*

<table>
<thead>
<tr>
<th>Fee in basis points</th>
<th>Collateral type</th>
<th>Level A</th>
<th>Level B</th>
<th>Level C</th>
<th>Level D</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of sterling Eligible Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0-10%</td>
<td></td>
<td>50</td>
<td>75</td>
<td>125</td>
<td>200</td>
</tr>
<tr>
<td>10-20%</td>
<td></td>
<td>75</td>
<td>125</td>
<td>200</td>
<td>300</td>
</tr>
<tr>
<td>20-30%</td>
<td></td>
<td>100</td>
<td>175</td>
<td>275</td>
<td>400</td>
</tr>
<tr>
<td>&gt;30%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

28 An additional 25bp fee will be applied to any part of a Participant’s drawings with an initial maturity of more than 30 days.
29 For drawings of gilts, the fee is applied to the total market value of gilts outstanding under the DWF on each day.

30 For any drawings of sterling cash permitted by the Bank, the fee is indexed Bank Rate plus the fees set out in the table above.

31 In calculating the fee, the Bank assumes that for mixed buckets of collateral (for example where total drawings are against collateral from more than one Level) the collateral from the lower Level is used ‘first’ (eg Level A before Level B and so on).

32 The fee is payable on the first business day of each calendar month or the maturity of the final outstanding drawing on the DWF if earlier. The fee payable then is equal to the total of daily fees incurred since the start of each calendar month.

33 The fee may vary at the Bank’s discretion.

**Settlement of eligible collateral**

34 Eligible collateral instruments must be deliverable to the Bank:

- Via CREST (securities may not be delivered free of payment using CREST’s Delivery-by-Value (DBV) facility);
- Via the European Correspondent Central Banking Model;
- For instruments issued directly into the International Central Securities Depositories, Euroclear or Clearstream;
- To the Bank of England's account at the Federal Reserve Bank of New York, Bank of New York Mellon (DTC only), the Bank of Canada, or, in the case of Japanese Government bonds only, the Bank of Japan;
- Via international links maintained by Euroclear;
- Via international links maintained by Clearstream;
- Via such other delivery mechanism as the Bank shall specify, from time to time, as set out in the DWF Operating Procedures.

35 The Bank reserves the right to reject any security for any reason, at any time.
36 Eligible collateral must be pre-positioned with the Bank in advance of a drawing. In exceptional circumstances the Bank may permit drawing against collateral delivered on the day of drawing.

37 Custody fees incurred by the Bank in holding collateral, including where securities have been pre-positioned with the Bank, will be charged back to participants.

**Margin arrangements**

38 Re-margining takes place daily based on updated valuations of the eligible collateral provided, of the securities lent, and of unpaid and estimated future fees, across all DWF transactions with a participant, subject to a threshold of £1 million.

39 Margin securities may consist of eligible securities as listed in Annex 1. Where delivery of margin securities results in a participant transferring a different mix of collateral Levels against its drawings from the DWF, the fee applied would change to reflect the new holdings on that and subsequent days. Amended fees will be available from the Bank.

**Substitutions**

40 Collateral substitutions are permitted at any time, subject to the Bank’s consent. Where collateral substitutions result in a participant transferring a different mix of collateral Levels against its drawings from the DWF, the fee applied will change to reflect the new holdings on that and subsequent days. Amended fees will be available from the Bank.

**Admission to the DWF**

41 Eligible institutions incorporated in the United Kingdom that are already participants in the Sterling Monetary Framework and that seek to draw on the DWF are deemed to have accepted the terms. Their Admission Letters are deemed to be amended to admit them into the DWF, subject only to an appropriate guarantee being provided if they are not the primary entity of their group. Existing guarantees provided in respect of the Sterling Monetary Framework also apply to the DWF.
Eligible Institutions that are incorporated outside the United Kingdom need to apply to the Bank to draw from the DWF. Upon such application, if they are already an OMO or an Operational Standing Facilities Participant, they will be sent a letter admitting them to the DWF and where necessary amending the terms to take account of the law of their country of incorporation. They will also be required first to provide relevant legal opinions on their legal capacity to enter into DWF Transactions. A country legal opinion may also be required. Pro forma legal capacity and country opinions are on the Bank’s website at www.bankofengland.co.uk/markets/money/applications.htm. Existing guarantees provided in respect of the Sterling Monetary Framework also apply to the DWF.

Where a firm, whether or not incorporated in the United Kingdom, is not the primary entity within its Group, the Bank may require a guarantee from the primary entity in a form satisfactory to the Bank. It may also require a legal opinion on the guarantor's legal capacity and the enforceability of the guarantee. A pro forma guarantee and a pro forma legal opinion on the guarantee are on the Bank’s website at www.bankofengland.co.uk/markets/money/applications.htm.

Within a group, only one eligible institution may access the DWF.

Institutions that are not already OMO or Operational Standing Facilities Participants first have to complete the combined application form and questionnaire for the Sterling Monetary Framework, available on the Bank’s website².

**Publication of use of the DWF**

The Bank publishes on its wire services pages the use of the DWF as follows. The average aggregate daily value of gilts (or cash) lent with an initial maturity of 30 days or less under the DWF during each calendar quarter will be published at 10.00 on the first Tuesday following the final business day of the following calendar quarter.

The average aggregate daily of value of gilts (or cash) lent with an initial maturity of more than 30 days during each calendar quarter will be published at 10.00

²http://www.bankofengland.co.uk/markets/money/applications.htm
on the first Tuesday following the final working day of the calendar quarter five quarters ahead.

Documentation

48 This Market Notice forms part of the Documentation for the Bank of England’s operations under the Sterling Monetary Framework (SMF) and should be read in conjunction with the main SMF Documentation and DWF Operating Procedures, each as amended from time to time. This Documentation is available on the Bank’s website.

49 The Market Notice may be supplemented and refined further over time.

50 The Bank retains the discretion to alter any of the terms of the Discount Window Facility at any time.

Bank of England
29 March 2010
Annex 1: Eligible collateral

1. Eligible collateral for the DWF will initially comprise:

- Securities, other than HMG Treasury bills and gilts, that are routinely accepted in
  the Bank’s short-term repo Open Market Operations.3

- Bonds issued by G10 sovereigns rated Aa3/AA- or higher, subject to any
  settlement constraints.

- Bonds issued by G10 government agencies explicitly guaranteed by national
  governments, rated AAA. Government Guaranteed Agencies are subject to
  individual review and additions will not be announced separately.

- Conventional debt security issues of the Federal Home Loan Mortgage
  Corporation, the Federal National Mortgage Corporation and the Federal Home
  Loan Banking system, rated AAA.

- UK, US and EEA covered bonds rated A3/A- or above, provided that they were
  rated AAA at issue. The underlying assets may be UK, US or EEA public sector
  debt, social housing loans, SME loans or commercial mortgages, or UK or EEA
  residential mortgages. Own-name covered bonds will be accepted.

- The most senior tranches of UK, US and EEA asset-backed securities (ABS)
  backed by credit cards; student loans; consumer loans; auto loans; social housing;
  and certain equipment leases rated A3/A– or above, provided that they were rated
  AAA at issue. Own-name ABS will be accepted.

- The most senior tranches of UK and EEA residential mortgage-backed securities
  (RMBS) rated A3/A– or above, provided that they were rated AAA at issue. Own-
  name RMBS will be accepted.

- The most senior tranche of UK, US and EEA commercial mortgage-backed
  securities (CMBS) rated A3/A– or above provided that they were rated AAA at
  issue. Securities containing construction loans will not be eligible. The collateral
  pool must be diversified. Own-name CMBS will be accepted.

3http://www.bankofengland.co.uk/markets/money/narrowomocollateral.htm
• The most senior tranche of UK, US and EEA securitised portfolios of senior
seured or on-balance sheet, corporate or SME loans rated A3/A– or above,
provided that they were rated AAA at issue. Portfolios containing leveraged loans
are not permitted. The collateral pool must be diversified. Own-name securities
will be accepted.

• The most senior tranches, rated A3/A- or higher, of UK, US and EEA securitised
portfolios of corporate bonds, provided that the tranches were rated AAA at issue.
Portfolios containing high-yield bonds are not permitted. The collateral pool must
be diversified. Own-name securities will be accepted.

• Some types of UK, US and EEA asset-backed commercial paper (ABCP) with the
highest short-term ratings (A-1+/P1/F1+). Only the most senior paper will be
accepted. A liquidity line must be in place from a bank with a short-term rating of
A1/A+ or higher. The eligibility of individual programmes must be agreed with
the Bank. The Bank will assess programmes against criteria that must be satisfied
by the underlying assets; and against transparency requirements. The underlying
assets must be of a type that is itself eligible for delivery in the Bank’s Discount
Window Facility.

• Portfolios of senior corporate bonds rated at least A3/A– and commercial paper
rated at least A2/P2/F2, issued by non-financial companies in UK, US, and the EU
are eligible, subject to a diversification requirement that no more than 10% of the
total value of the portfolio may be from any single issuer. For the purposes of this
requirement, legal entities in the same group or those with close links as
determined by the Bank, will be treated as a single issuer.

• UK, EEA or US covered bonds or ABS backed by certain Export Credit Agency
guaranteed loans. These will be subject to individual review.

• Bank debt guaranteed under HM Government’s bank debt guarantee scheme
announced by the UK Government on 8 October 2008.

• Senior bank debt that is guaranteed under certain non-UK sovereign bank debt
guarantee schemes. Various schemes have now been reviewed and are considered
eligible. The eligibility of sovereign-guaranteed bank debt schemes is reviewed at
the Bank’s discretion, in the light of requests from counterparties. The debt must
be due to mature prior to the expiry date of the relevant guarantee. In certain cases
where the Bank has had to do extensive due diligence to determine whether a
particular asset is eligible for inclusion in the DWF, these costs may be charged
back to the relevant counterparty.

2 Securities may be denominated in sterling, euro, US dollars, Australian
dollars, Canadian dollars, Swedish krona, Swiss francs or, in the case of Japanese
government bonds and bank debt guaranteed under HM Government’s bank debt
guarantee scheme only, yen.

3 The Bank will consider widening the list of eligible currencies of
denomination and countries of origin of ABS in specific cases, as well as broadening
the list of eligible collateral following the process outlined in its consultative paper.

4 In each case the underlying assets must be cash, not synthetic (i.e. not
derivatives). Securities whose rating is on the basis of a guarantee or insurance
provided by a third party (“a wrap”) will not be eligible (with the exception of
government guaranteed instruments noted above).

5 Credit ratings as set out above must have been provided by two or more of
Fitch, Moody’s, and Standard and Poor’s.

6 Un-listed securities will be eligible at the Bank’s discretion.

7 For the purposes of determining the fee:

- **Level A collateral** will consist of debt securities that are routinely eligible as
collateral in the Bank’s short-term repo Open Market Operations and
Operational Standing Facilities, as published on the Bank’s website.4

- **Level B collateral** will consist of third-party debt securities that are, in the
Bank’s judgment, trading in liquid markets.

- **Level C collateral** will consist of other third-party debt securities including
those that are in the Bank’s judgment, not trading in liquid markets.

- **Level D collateral** will consist of own-name securitisations and covered bonds.

4 [http://www.bankofengland.co.uk/markets/money/narrowomocollateral.htm](http://www.bankofengland.co.uk/markets/money/narrowomocollateral.htm)
8 The Bank will confirm the Level of collateral securities to participants that pre-position collateral with the Bank. The Bank will reserve the right to switch instruments from one Level to another, including during the life of a drawing from the Discount Window Facility.

9 Haircuts for the Discount Window Facility collateral are set out in Annex 2 to this Market Notice. Annex 2 also sets out the circumstances in which additional haircuts are applied including, amongst other things, where securities are denominated in currencies other than sterling; where securities have no observable market price; where previously AAA asset-backed securities have been downgraded; and where the quality of the underlying collateral pool warrants a higher haircut in the Bank’s judgment.

10 Haircuts will be kept under review. They will be updated and refined in the light of developments in financial markets and the financial system, and continuing consultation with market participants and analysts.

Bank of England
29 March 2010
Annex 2: Discount Window Facility: Haircuts

<table>
<thead>
<tr>
<th>Credit rating</th>
<th>OMO eligible and G10 sovereign paper</th>
<th>Government guaranteed agencies and US GSEs or ABS or covered bonds backed by ECA loans</th>
<th>Bank and building society debt securities guaranteed under specified government guarantee schemes</th>
<th>RMBS, covered bonds backed by residential mortgages or social housing loans</th>
<th>ABS backed by credit cards and other consumer debt or social housing loans</th>
<th>ABS backed by corporate or SME loans and corporate bonds or SME covered bonds</th>
<th>CMBS, covered bonds backed by commercial mortgages</th>
<th>Corporate bonds and commercial paper issued by non-financial companies</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Aa3/AA- or higher</td>
<td>Aaa/AAA</td>
<td>Aaa/AAA</td>
<td>Aaa/AAA</td>
<td>Aaa/AAA</td>
<td>Aaa/AAA</td>
<td>Aaa/AAA</td>
<td>Aa3/A– or higher Commercial paper A2/P2/F2 or higher</td>
</tr>
<tr>
<td>Coupon</td>
<td>Zero Coupon</td>
<td>Aaa/AAA</td>
<td>Aaa/AAA</td>
<td>Aaa/AAA</td>
<td>Aaa/AAA</td>
<td>Aaa/AAA</td>
<td>Aaa/AAA</td>
<td>Aa3/A– or higher Commercial paper A2/P2/F2 or higher</td>
</tr>
<tr>
<td>All floating rate</td>
<td>5.5</td>
<td>5.5</td>
<td>8.0</td>
<td>8.0</td>
<td>17.0</td>
<td>20.0</td>
<td>25.0</td>
<td>30.0</td>
</tr>
<tr>
<td>Fixed interest rate up to 1 year maturity</td>
<td>5.5</td>
<td>5.5</td>
<td>8.0</td>
<td>8.0</td>
<td>17.0</td>
<td>20.0</td>
<td>25.0</td>
<td>30.0</td>
</tr>
<tr>
<td>Fixed interest rate 1-3 years to maturity</td>
<td>6.5</td>
<td>6.5</td>
<td>10.0</td>
<td>10.0</td>
<td>19.0</td>
<td>22.0</td>
<td>27.0</td>
<td>32.0</td>
</tr>
<tr>
<td>Fixed interest rate 3-5 years to maturity</td>
<td>7.0</td>
<td>7.0</td>
<td>11.0</td>
<td>11.0</td>
<td>20.0</td>
<td>23.0</td>
<td>28.0</td>
<td>33.0</td>
</tr>
<tr>
<td>Fixed interest rate, 5-10 years to maturity</td>
<td>8.0</td>
<td>8.5</td>
<td>13.0</td>
<td>n/a</td>
<td>22.0</td>
<td>25.0</td>
<td>30.0</td>
<td>35.0</td>
</tr>
<tr>
<td>Fixed interest rate, 10-20 years to maturity</td>
<td>9.5</td>
<td>11.0</td>
<td>15.0</td>
<td>n/a</td>
<td>24.0</td>
<td>27.0</td>
<td>32.0</td>
<td>37.0</td>
</tr>
<tr>
<td>Fixed interest rate, 20-30 years to maturity</td>
<td>11.0</td>
<td>13.5</td>
<td>18.0</td>
<td>n/a</td>
<td>27.0</td>
<td>30.0</td>
<td>35.0</td>
<td>40.0</td>
</tr>
<tr>
<td>Fixed interest rate, more than 30 years to maturity</td>
<td>12.5</td>
<td>19.0</td>
<td>20.0</td>
<td>n/a</td>
<td>29.0</td>
<td>32.0</td>
<td>37.0</td>
<td>42.0</td>
</tr>
</tbody>
</table>
**Additional notes**

Haircuts for asset-backed commercial paper (ABCP) are determined by the Bank for each issue following the agreement of the specific ABCP programme and will be in the range of 17 percentage points – 35 percentage points depending on the underlying asset classes and the diversification of the pool.

An additional 6 percentage points is added to Haircuts to allow for currency volatility when securities are non-sterling.

Note on calculation: adjusted collateral value (post-haircut) = collateral value x (100 – haircut) %.

A haircut add-on of 2 percentage points is applied to yen-denominated securities to allow for higher volatility in the sterling/yen exchange rate.

A haircut add-on of 5 percentage points is applied to own-name eligible covered bonds, RMBS, CMBS, ABS and portfolios of corporate bonds where appropriate.

A haircut add-on of 5 percentage points is applied to eligible collateral for which no market price is observable.

A haircut add-on of 5 percentage points is applied to eligible covered bonds, RMBS, CMBS and ABS that have been downgraded from AAA to Aa/AA; a further 5 percentage points will be added for eligible covered bonds, RMBS, CMBS and ABS that have been downgraded from AAA to A.

Haircut add-ons may apply for portfolios of corporate bonds that are not well diversified, where the largest single bond concentration by market value exceeds 2% of the total market value of corporate bonds delivered.

The Bank may make further specific haircut add-ons for particular eligible collateral or a particular participant’s circumstances in drawing from the DWF, at its discretion.

Haircut add-ons are kept under review. The Bank reserves the right to alter them, including on outstanding transactions.

Credit ratings must have been provided by two or more of Fitch, Moody’s, and Standard and Poor’s.