

# The D&B Rating

The D&B Rating can help you quickly assess a firm's size and composite credit appraisal, based on information in a company's interim or fiscal balance sheet and an overall evaluation of the firm's creditworthiness.

## Key to the D&B Rating

The "5A" to "HH" Rating Classifications reflect company size based on worth or equity as computed by D&B. Company size can be an effective indicator of credit capacity. These Ratings are assigned to businesses that have supplied D&B with a current financial statement.

The Composite Credit Appraisal is a number, 1 through 4, that makes up the second half of the company's rating and reflects D&B's overall assessment of that firm's creditworthiness. The Composite Credit Appraisal is based on D&B analysis of company payments, financial information, public records, business age and other important factors (when available).

Note: A "2" is the highest Composite Credit Appraisal a company not supplying D&B with current financial information can receive.

The "IR" and "2R" Rating categories reflect company size based on the total number of employees for the business. They are assigned to company files that do not contain a current financial statement.

ER (Employee Range) Ratings apply to certain lines of business that do not lend themselves to classification under the D&B Rating system. Instead, we assign these types of businesses an Employee Range symbol based on the number of people employed. No other significance should be attached to this symbol.

For example, a rating of "ER7" means there are between five and nine employees in the company. "ERN" should not be interpreted negatively. It simply means we do not have information indicating how many people are employed at this firm.

The D&B Rating field in a report may also display the following designations when certain conditions are present:

The '-' Symbol: This represents the absence of a D&B Rating and should not be interpreted as indicating that credit should be denied. It means that the information available to D&B does not permit us to classify the company within our Rating Key and that further inquiry should be made before



reaching a credit decision. Some reasons for using the "-" symbol include: deficit net worth, bankruptcy proceedings, lack of sufficient payment information or incomplete history indicator.

DS (DUNS Support): This indicates that the information available to D&B does not permit us to classify the company within our Rating Key. When ordering these reports, an investigation can be performed and results sent to you at your request for an additional fee.

INV (Investigation Being Conducted): When an "INV" appears, it means an investigation is being conducted on this business to get the most current details.

Based on Worth from Interim or Fiscal Balance Sheet

Rating Classification				Composite Credit Appraisal			
				High	Good	Fair	Limited
5A	\$50,000,000	to	and over	1	2	3	4
4A	10,000,000	to	49,999,999	1	2	3	4
3A	1,000,000	to	9,999,999	1	2	3	4
2A	750,000	to	999,999	1	2	3	4
1A	500,000	to	749,999	1	2	3	4
BA	300,000	to	499,999	1	2	3	4
BB	200,000	to	299,999	1	2	3	4
CB	125,000	to	199,999	1	2	3	4
CC	75,000	to	124,999	1	2	3	4
DC	50,000	to	74,999	1	2	3	4
DD	35,000	to	49,999	1	2	3	4
EE	20,000	to	34,999	1	2	3	4
FF	10,000	to	19,999	1	2	3	4
GG	5,000	to	9,999	1	2	3	4
HH	up	to	4,999	1	2	3	4

Based on Number of Employees when financial statements are unavailable

Rating Classification		Composite Credit Appraisal Rating		
		Good	Fair	Limited
1R	10 and over	2	3	4
2R	1 to 9	2	3	4

### Key to Employee Range

Applicable to lines of business not covered by the D&B Rating system

ER1	1,000 or more
ER2	500 to 999
ER3	100 to 499
ER4	50 to 99
ER5	20 to 49
ER6	10 to 19
ER7	5 to 9
ER8	1 to 4
ERN	Not Available