

Classification: **Public**



POLICY 4 (2024)

Ratings Suspension and Withdrawal

1. Purpose and Scope

- 1.1.** To describe SIMAH Rating Agency (Tassnief)'s Policy on Ratings Suspension and Withdrawals.
- 1.2.** It is basically to facilitate a clearer understanding of the differences between a rating suspension and a rating withdrawal as well as the consequences of such rating actions.
- 1.3.** It further outlines the circumstances under which Tassnief can suspend or withdraw a rating
- 1.4.** This Policy is prepared based on best practices that allows authorized credit rating agencies to suspend or withdraw its rating under certain circumstances.

2. Policy on Rating Suspension and Withdrawal

2.1. Scenarios for Suspension or Withdrawals

2.1.1. When it is impossible for Tassnief to maintain the rating surveillance of a particular debt obligation or issuer, it will at its discretion, suspend or withdraw the rating. Some of the scenarios that would render it impossible include but not limited to the following:

- 2.1.1.1.** Incorrect, insufficient or inadequate information due to the failure of the rated entity /issuer and/or related parties in the transaction to respond to requests for information in a timely manner, and/or the unwillingness of the issuer to communicate with Tassnief on material issues.
- 2.1.1.2.** Insolvency, bankruptcy, debt restructuring or re-organization of the rated entity or issuer.
- 2.1.1.3.** Maturity of the debt issue.
- 2.1.1.4.** Tassnief's own business reasons where it will suspend or withdraw a credit rating for a rated entity or obligation other than the above reasons due to its own business reason and not the rated entity's business. The withdrawal does not reflect any concerns about the rated entity's creditworthiness or the quality of its management. Example of Tassnief decision to withdraw under these circumstances is an attempt to balance the benefit for the market participants as against the resources required to maintain and monitor the credit rating and other business consideration.
- 2.1.1.5.** Conflict of interest.
- 2.1.1.6.** At the request of the issuer.
- 2.1.1.7.** When Tassnief is unable to provide a credible rating opinion due the insufficient public information that it relies on for its analyses.

2.1.2. Any suspension or withdrawal actions cannot be used to avoid a downgrade of the assigned rating. Tassnief will mention updated ratings in withdrawal announcement.

2.1.3. Tassnief will ensure that every effort is made to provide an updated view of the current events, despite the challenges from the lack of information.

2.1.4. Tassnief will also indicate, whenever possible, the likely direction and magnitude of any rating adjustment had it continued to maintain surveillance on the rating.

3. Suspension

- 3.1.** A rating suspension is an indication that the rating of the affected issuer or issue has been “put on hold”, thus Tassnief is no longer in a position to rate or give its opinion on the payment capacity of the affected issuer.
- 3.2.** Before opting to suspend a rating, Tassnief will exhaust all avenues to acquire relevant and reliable information.
- 3.3.** The announcement on the rating suspension, including the date of the rating action, reflects Tassnief’s latest credit opinion on the affected issuer or issue. However, Tassnief will strive to indicate the likely direction of the rating movement based on the information it has at that point of time.
- 3.4.** A rating suspension indicates some level of expectation that Tassnief will be able to maintain the rating surveillance of the particular issue or issuer in the near future.
- 3.5.** Rating surveillance may resume after the rating has been suspended, depending on the development subsequent to the suspension and the next course of action is on a case-by-case basis.
- 3.6.** A rating suspension can be lifted, and the rating can be maintained, upgraded or downgraded if Tassnief can obtain sufficient information and clarification for its assessment.

4. Withdrawals

- 4.1.** A withdrawal is when Tassnief retracts its rating opinion so that the opinion is no longer valid.
- 4.2.** Rating(s) are withdrawn in situations where the rating agreement is cancelled and/or business operations of the rated entity are ceased.
- 4.3.** For public ratings, when a particular financial instrument is withdrawn, because the financial obligation has reached its maturity, Tassnief will mention “Withdrawal on account of maturity”.
- 4.4.** Tassnief may also withdraw for reasons related to lack of information or the issuer’s bankruptcy or re-organization.
- 4.5.** Any decision to withdraw a rating shall be carefully deliberated on by the Primary Rating Analyst and the Chief Rating Officer, taking into consideration the market interest in the rating and the availability of Tassnief’s resources to maintain the surveillance.
- 4.6.** For any public rating, rating action will be announced through media release.

Published by SIMAH Rating Agency, TASSNIEF
Reproduction or transmission in any form is prohibited except by
Permission from SIMAH Rating, TASSNIEF
©Copyright 2025

The Credit Rating issued is SIMAH Rating's current opinion of the relative future credit risk of the sovereign or entities. It is not a recommendation to purchase, sell or hold a security, in as much as it does not comment on the security's market price or its suitability for a particular investor, nor does it involve any audit by SIMAH Rating. The credit rating also does not reflect the legality and enforceability of financial obligations.

SIMAH Rating receives compensation for its rating service but the receipt of this compensation has no influence on SIMAH Rating's credit opinions or other analytical processes. In all instances, SIMAH Rating is committed to preserving the objectivity, integrity and independence of its ratings.