Corporate and Municipal Bond Ratings

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| **Moody’s** | Standard & Poor’s | **Safety** |
| Aaa | AAA | The strongest rating; ability to repay interest and principal is very strong. |
| Aa | AA | Very strong likelihood that interest and principal will be repaid. |
| A | A | Strong ability to repay, but some vulnerability to changes in circumstances. |
| Baa | BBB | Adequate capacity to repay; more vulnerability to changes in economic circumstances. |
| Ba | BB | Considerable uncertainty about ability to repay. |
| B | B | Likelihood of interest and principal payments over sustained periods is questionable. |
| Caa | CCC | Bonds in the Caa/CCC and Ca/CC classes may already be in default or in danger of imminent default. |
| Ca | CC |  |
| C | C | Little prospect for interest or principal on the debt ever to be repaid. |

For Bonds rated Aa – Caa, Moody’s applies a modifier of 1,2, or 3 to the rating. Bonds with a 1 are at the higher end of the category, 2s are in the middle, and 3s are at the bottom end.

For Bonds rated AA – CCC, S&P applies a modifier of + or – to the rating. Bonds with a + are at the higher end of the category, bonds without a modifier are in the middle, and bonds with a – are at the bottom end.

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| Company | **Moody’s Rating** | **S & P Rating** |
| Wal-Mart | Aa2 | AA |
| McDonalds | A2 | A |
| Starbucks | Baa3 | A- |
| Citigroup | A3 | A |
| Marriott | Baa2 | BBB |
| Microsoft | Aaa | AAA |
| ExxonMobil | Aaa | AAA |
| Ford Motor Co. | Ba2 | BB+ |
| United Airlines | B3 | B |
| Boeing | A2 | A |
| Kraft Foods | Baa2 | BBB |
| Hornbeck Offshore | Ba3 | B+ |
| Netflix | Ba2 | BB- |
| Coca Cola | Aa3 | A+ |
| Sears Holding | B3 | CCC+ |