



Brickwork Ratings **Compensation Arrangements**

July 2022



Brickwork Ratings: Compensation Arrangements

Brickwork Ratings (BWR) derives its compensation from issuers through assigning ratings to their securities, instruments, bank loans and facilities. The rated entities pay fees to BWR based on a rating mandate letter. The factors and features of the nature of the compensation are provided as under:

1. BWR receives its fees from the issuers for rating their securities/bank loans/facilities. BWR's fee structure consists of initial rating fees and an annual surveillance fee charged for the subsequent monitoring till the securities/loan facilities remain outstanding or withdrawn.
2. The fees are essentially based on the complexities of an instrument, size or type or efforts involved and any other factor that may be considered relevant by BWR. However, fee structures are finalised before accepting an assignment.
3. BWR's ratings are available on its website and disseminated widely through various media channels, for which no fees are charged at present.
4. BWR compensation structure for rating bank loans / facilities as required under RBI instructions vide DBOD. BP. No. /5379/21.06.007/2012-13 dated April 26, 2013 is as under:
5. Compensation structure of BWR is as under:
 1. For rating bank loans / facilities:
 1. Initial Rating Fees shall be up to 0.10% for unrated Bank facilities subject to minimum amount of Rs 40000/.
 2. Annual Surveillance fee would range between 35% - 70% of the initial rating fee, per annum with a minimum of Rs 30000/.
 3. The above minimum fee is not applicable for bulk deals, bidding for tenders, North East business entities, SSI units, etc.
 4. iv. All applicable taxes and levies will be extra.
 2. For other instruments such as NCD / Bonds / CP, etc.:
 1. BWR shall ordinarily charge Initial Rating fee of up to 0.1% of the issue size.
 2. Annual surveillance fee would range between 35% - 70% of the initial rating fee.