**Analysis of Factors for a Minimal Credit Risk Determination**

The release adopting the amendments to Rule 2a-7 of the Investment Company Act of 1940, as amended, provides the following additional guidance with respect to analyzing the factors required for a minimal credit risk determination:

1) The issuer's or guarantor's financial condition. This factor generally should include examination of recent financial statements, including consideration of trends relating to cash flow, revenue, expenses, profitability, short-term and total debt service coverage, and leverage (including financial and operating leverage).

2) The issuer's or guarantor's sources of liquidity. This factor generally should include consideration of bank lines of credit and alternative sources of liquidity.

3) The issuer's or guarantor's ability to react to future marketwide and issuer- or guarantor-specific events, including the ability to repay debt in a highly adverse situation. This factor generally should include analysis of risk from various scenarios, including changes to the yield curve or spreads, especially in a changing interest rate environment.

4) The strength of the issuer's or guarantor's industry within the economy and relative to economic trends, and the issuer's or guarantor's competitive position within its industry. This factor generally should include consideration of diversification of sources of revenue, if applicable.

In addition to the codified factors used to evaluate the issuer or guarantor of a security, as described above, the minimal credit risk evaluation may also include consideration of whether the price and/or yield of the security itself is similar to that of other securities in the fund's portfolio.