S&P Global Ratings

Research

Presale:

DB Master Finance LLC (Series 2021-1)

October 13, 2021

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Preliminary Ratings

Class(i)	Preliminary rating	Balance (mil. $)	Anticipated maturity (years)(ii)	Legal maturity (years)
A-2-I	BBB (sf)	783.3	5.00	30
A-2-II	BBB (sf)	783.3	7.00	30
A-2-III	BBB (sf)	783.4	10.00	30

Note: This presale report is based on information as of Oct. 13, 2021. The ratings shown are preliminary. Subsequent information may result in the assignment of final ratings that differ from the preliminary ratings. Accordingly, the preliminary ratings should not be construed as evidence of final ratings. This report does not constitute a recommendation to buy, hold, or sell securities. (i)Our analysis does not address post-ARD-additional interest. (ii)Years until the notes' ARD. ARD--Anticipated repayment date.

Executive Summary

DB Master Finance LLC's series 2021-1 is a $2.35 billion corporate securitization of the Dunkin' Brands' business. Approximately $1.2 billion of proceeds are expected to be used to prepay series 2017-1 class A-2-I and the series 2019-1 class A-2-I notes, after transaction fees and expenses, with the remainder to be used for general corporate purposes, including a distribution to the shareholders of Inspire Brands Inc., the parent company of Mavericks Inc., which is majority owned by affiliates of Roark Capital Group, which closed its acquisition of Dunkin' Brands on Dec. 15, 2020. The 2021-1 note issuance is expected to result in leverage of approximately 6.7x on a total debt/adjusted EBITDA basis, as reported at the Inspire Brands Inc. level and 6.8x, assuming a full drawdown on the series 2019-1 class A-1 variable-funding note (VFN).

Total debt outstanding after the issuance of the series 2021-1 notes will be approximately $4.35 billion assuming the series 2019-1 VFN is drawn to capacity and the 2017-1 class A-2-I notes and 2019-1 class A-2-I notes are refinanced.

Debt repayment is supported by royalty cash flows and other franchisee payments, licensee payments, net rental income, distributions from certain joint ventures, and profit from product distribution arrangements from the 20,552-store global system.

The transaction's key credit features include:

- Dunkin' Brands Inc.'s (DBI's) long operating history of over 70 years.
- As of June 26, 2021, Dunkin' Brands' 20,552-store system is fully franchised and owned by a diverse base of franchisees, with the top 10 franchisees operating approximately 8.0% of U.S.

Dunkin' units.

- Strong historical system-wide sales with a compound annual growth rate (CAGR) of approximately 5.0% since 2008. System-wide sales were $12.9 billion for the last 12 months (LTM) second-quarter 2021.
- Geographic concentration, with the three largest states accounting for 33% of the U.S. system-wide store count.
- The system's improved performance since the initial impact of the COVID-19 pandemic, the completion of strategic store closures announced in July 2020, and the re-opening of units that had been closed temporarily due to the COVID-19 pandemic.
- Positive same-store sales growth in the U.S. in 10 of the last 11 years for the Dunkin' U.S. system.
- International operations revenue not hedged for foreign exchange fluctuation, leaving cash flows vulnerable to potential swings in exchange rates.

See the Key Credit Considerations section for more detail.

Transaction Timeline/Participants

Transaction Timeline

Expected closing date	October 2021.
First payment date	February 2022.
A-2-I ARD	November 2026.
A-2-II ARD	November 2028.
A-2-III ARD	November 2031.
Legal maturity date	November 2051.
Note payment frequency	Quarterly.

ARD--Anticipated repayment date.

Participants

Issuer	DB Master Finance LLC.
Guarantors	DB Master Finance Parent LLC, DB Franchising Holding Co. LLC, DD IP Holder LLC, BR IP Holder LLC, BR UK Franchising LLC, DB Mexican Franchising LLC, Dunkin' Donuts Franchising LLC, Baskin-Robbins Franchising LLC, DB Real Estate Assets I LLC, and DB Real Estate Assets II LLC.
Manager	Dunkin' Brands Inc.
Arranger (structurer)	Barclays Capital Inc.
Back-up manager	FTI Consulting Inc.
Servicer/control party	Midland Loan Services (a division of PNC Bank N.A.).
Trustee	Citibank N.A.
LOC provider	Rabobank.

LOC--Letter of credit.

Rating Rationale

The preliminary ratings assigned to DB Master Finance LLC's series 2021-1 notes reflect our assessment of the following:

- Brand strength: The strength of the Dunkin' and Baskin-Robbins brands, the likelihood for the brands to survive through a DBI bankruptcy, and the brands' resulting capacities to continue generating sufficient cash flows from business operations, provided that adequate servicing remains in place.

- Replaceable manager: The manager's responsibilities are generally limited to sales and general and administrative (SG&A) functions, which we believe increases the likelihood of successful replacement following a termination of the current manager. Additionally, the transaction has a back-up manager--FTI Consulting Inc. (established at the transaction's closing)--who has reviewed the business' cost structure relative to the sizing of the management fee, and believes it is adequate should they need to step in.
- Legal isolation of the assets: Substantially all of the business' cash generating assets are no longer owned by the manager at the transaction's closing. They have been sold through a "true sale" to the securitization issuer and guarantors, which are bankruptcy remote entities. This should decrease the likelihood that existing creditors of DBI could disrupt cash flow to the securitization following a manager bankruptcy. Legal opinions related to true sale and non-consolidation have been or will be provided before this transaction's closing.
- Asset performance not fully correlated to manager performance: A system of franchised restaurants will likely continue to generate cash flow following the manager's bankruptcy, as individual franchisees generally operate independently from the manager (aside from SG&A functions, which we believe can be transferred to a back-up manager).
- Cash flow coverage: Given the brands' strength, the replaceable nature of the manager, and the legal isolation of the assets from the manager, we have projected long-term cash flows for the business. Our analysis incorporates cash flow haircuts reflecting our view of how the business' assets could weaken in adverse economic conditions. Under these conditions, our analysis shows the cash flows generated by the business are sufficient to meet all debt service obligations of the rated notes.
- Liquidity: A reserve account funded with three months of interest expenses and/or a letter of credit.

Environmental, Social, And Governance (ESG) Factors

Our rating analysis considered the potential exposure of the transaction to ESG credit factors. We have not identified any material ESG credit factors in our analysis. Therefore, ESG credit factors do not influence our assessment of the transaction's credit quality.

Key Credit Metrics And Peer Comparisons

Table 1

Key Credit Metrics And Peer Comparisons

Brands	Series	S&P Global Ratings' credit rating(i)	Store count (no.)	AUV (mil. $)	Franchised (%)(iii)	International (%)(iii)	Operating history (from founding)	Concept type	Leverage (total debt/adjusted EBITDA)(iv)	S&P Global Ratings' min. base-case DSCR(v)	S&P Global Ratings' min. downside DSCR(v)
Dunkin' Brands (ii)	2021-1	BBB (sf)	20,552	1.0	100	43	Over 30 years	QSR	6.7	1.7	1.4
Driven Brands	2021-1	BBB- (sf)	3,331	1.1	84	19	Over 30 years	Auto services	5.5	1.8	1.4
Taco Bell	2021-1	BBB (sf)	6,895	1.8	93	9	Over 30 years	QSR	4.9	1.8	1.6

Table 1

Key Credit Metrics And Peer Comparisons (cont.)

Brands	Series	S&P Global Ratings' credit rating(i)	Store count (no.)	AUV (mil. $)	Franchised (%)(iii)	International (%)(iii)	Operating history (from founding)	Concept type	Leverage (total debt/adjusted EBITDA)(iv)	S&P Global Ratings' min. base-case DSCR(v)	S&P Global Ratings' min. downside DSCR(v)
Sonic	2021-1	BBB (sf)	3,524	1.7	92	0	Over 30 years	QSR	6.5	1.8	1.6
ServiceMaster Brands	2021-1	BBB- (sf)	2,624	1.2	99	31	Over 30 years	Restoration services	8.0	1.8	1.4
Five Guys	2021-1	BBB- (sf)	1,684	1.3	73	18	Over 30 years	QSR	7.8	1.7	1.5
Hardee's/Carl's Jr.	2021-1	BBB (sf)	3,834	1.3	94	26	Over 30 years	QSR	7.2	1.8	1.4
Wendy's	2021-1	BBB (sf)	6,838	1.8	95	14	Over 30 years	QSR	6.9	1.8	1.5
Domino's	2021-1	BBB+ (sf)	17,644	0.9	98	64	Over 30 years	QSR	6.4	1.8	1.4
SERVPRO	2021-1	BBB- (sf)	1,860	1.5	100	0	Over 30 years	Restoration services	8.1	1.7	1.4
Arby's	2020-1	BBB- (sf)	3,520	1.2	66	0.2	Over 30 years	QSR	5.9	1.5	1.3
Jersey Mike's	2019-1	BBB (sf)	1,615	0.8	99	0.3	Over 30 years	QSR	6.4	2.2	1.7
Planet Fitness	2019-1	BBB- (sf) (vi)	1,899	2.1	96	2.7	29 years	Fitness	6.5	1.7	1.3
Jack in the Box	2019-1	BBB (sf)	2,240	1.5	94	0	Over 30 years	QSR	4.9	1.9	1.6
Applebee's/IHOP	2019-1	BBB (sf)	3,652	2.2	98	7	Over 30 years	CDR	6.0	1.7	1.4
Jimmy John's	2017-1	BBB+ (sf) (vii)	2,690	0.8	98	0	Over 30 years	QSR	5.2	1.8	1.7
Cajun Global	2017-1	BBB- (sf)	1,588	0.7	85	32	Over 30 years	QSR	5.2	1.8	1.4
TGIF	2017-1	B (sf)	903	2.7	94	48	Over 30 years	CDR	5.6	1.3	1.0

(i)Rating is for the senior-most securitization note issued. (ii) Preliminary. Dunkin' AUV is U.S. only. Leverage is for Inspire Brands. (iii)% of total store count. (iv)As reported. (v)As of each series' closing date unless otherwise noted. Applebee's/IHOP--Applebee's Funding LLC/IHOP Funding LLC (Dine Brands Global). Planet Fitness--Planet FitnessMaster Issuer LLC. Hardee's/Carl's Jr.--Hardee's Funding LLC/Carl's Jr. Funding LLC. Driven Brands--Driven Brands Funding LLC (Maaco, Meineke, and others). Domino's--Domino's Pizza Master Issuer LLC.Sonic--Sonic Capital LLC. Wendy's--Wendy's Funding LLC. Dunkin' Brands--DB Master Finance LLC (AUV represents domestic for both brands , Leverage Assumes no VFN). Jimmy John's--Jimmy John's Funding LLC. Focus Brands--Focus Brands Funding LLC (Carvel, Cinnabon, Auntie Anne's, and others). Taco Bell--Taco Bell Funding LLC. Cajun Global--Cajun Global LLC (Church's Chicken). Five Guys--Five Guys Funding LLC. TGIF--TGIF Funding LLC. Arby's--Arby's Funding LLC. AUV--Average unit volume. DSCR--Debt service coverage ratio. QSR--Quick-service restaurants.

Industry Outlook

The restaurant industry is highly competitive in price and product offerings. Many operators focus on altering the menu mix and new products towards value offerings to drive guest traffic. Leading into 2020, the sector's performance was mixed due to tepid economic conditions and meaningful weakness at certain restaurant operators. Amid the COVID-19 pandemic, there was a large shift toward delivery options as consumers obeyed stay-at-home orders. This led to an increase in delivery orders and ticket sizes due to more people working from home. However, with the rollout of several vaccines globally and the easing of the COVID-19 pandemic-induced lockdowns, we expect the shift to delivery to slow in 2021.

In addition, many independently owned businesses closed during the lockdowns, creating opportunities for larger players to increase their market share. However, this trend likely won't continue as restrictions ease. Quick-service restaurants have been performing well overall, while casual dining restaurants continue to face challenges. We expect slow domestic economic growth will continue to limit gains in restaurants' guest traffic and, while labor inflation will affect store profits, the impact may not be as meaningful for the highly franchised models. Cost inflation will also pressure operating margins over the near term because it likely will not be fully passed along to customers. Additionally, we believe restaurants' ability to increase market share will drive their revenue and profit growth, and those with an international presence will have more expansion opportunities in various markets.

Summary Of The Business

Dunkin' Brands is a leading franchisor of quick-service restaurants under the Dunkin' and Baskin-Robbins (BR) brands worldwide. Its restaurants offer hot and cold coffee, baked goods, donuts, bagels, breakfast sandwiches, ice cream, and frozen beverages. As of June 26, 2021, Dunkin' and BR have 12,800 and 7,752+ locations, respectively, across 48 U.S. states, the District of Columbia, Puerto Rico, and 65 countries. The company is headquartered in Atlanta, Ga., in addition to a corporate location in Canton, Mass., originally the headquarters of DBI. Global system-wide sales for the LTM ended June 26, 2021, were approximately $12.9 billion, with the Dunkin' and BR brands representing approximately 82.0% and 18.0%, respectively, of that amount.

DBI was purchased by Mavericks Inc. (Mavericks; formerly known as Inspire Brands Inc., formerly known as ARG Holding Corp.) in November 2020. Mavericks originally operated only the Arby's brand but has acquired three other major brands since 2018: Buffalo Wild Wings in 2018, Sonic in 2018, and Jimmy John's in 2019, prior to its DBI acquisition. Mavericks is currently the second-largest restaurant company in the U.S. with system sales in excess of $29 billion and over 31,600 units. Mavericks has stated that it intends to operate the five brands separately.

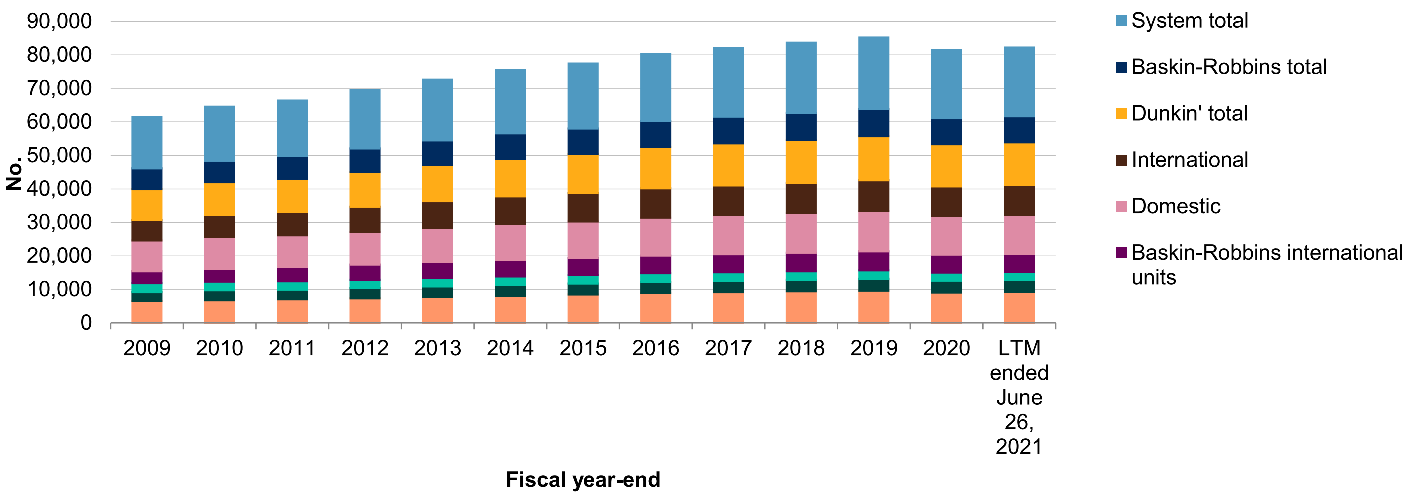
Dunkin' has rebounded significantly since the initial stages of the COVID-19 pandemic, particularly with respect to the number of units open for business. During the initial wave of COVID-19-related shutdowns in the spring of 2020, over 10% of both Dunkin' and BR locations were temporarily closed. Since then, the system has gradually reopened stores in line with company policy, and local and state mandates. The company reported record average unit volume (AUV) levels for the U.S. Dunkin' units for the LTM ended June 26, 2021, surpassing $1 million and experiencing double digit same store sales growth, even on a two-year basis. International Dunkin' units, as well as the BR units, still have some challenges ahead but appear to have stabilized following re-openings.

As of June 26, 2021, all of DBI's restaurants across both brands were franchised. Each franchised location in the U.S. operates under a franchise agreement that requires payment of an initial franchise fee and a recurring royalty fee based on a percentage of gross revenues to Dunkin' Brands. During the LTM second-quarter 2021, royalty rates are approximately 5.5% for Dunkin's U.S. locations and approximately 4.8% for BRs' U.S. locations.

Since 2006, total store count has grown at a CAGR of approximately 3.0%-4.0% through 2019. However, store count decreased in 2020 following Dunkin's exit from Speedway convenience stores and other strategic closures as part of system optimization initiatives, all of which were initiated prior to the onset of the pandemic, and has gradually increased. The combined system is concentrated in the northeastern U.S. and Asia (see charts 2 and 3); though, recent strategy is to focus on the western U.S. for expansion.

Chart 1

Historical Store Count



LTM--Last 12 months.

Chart 2

Top 10 States By Total Restaurants

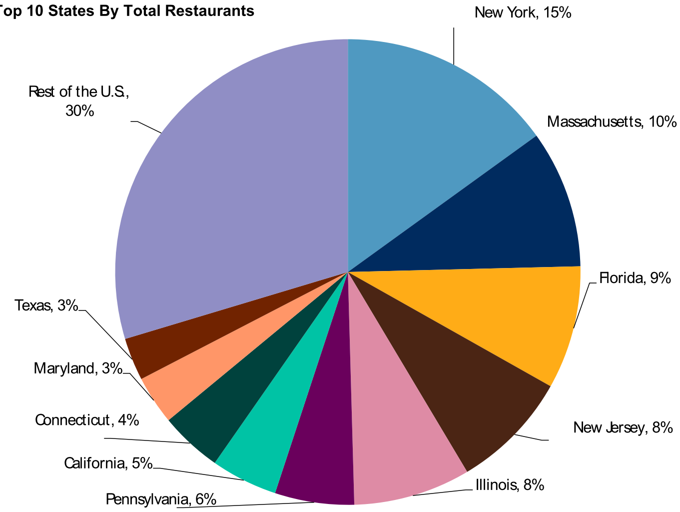


Chart 3

International Store Count by Region

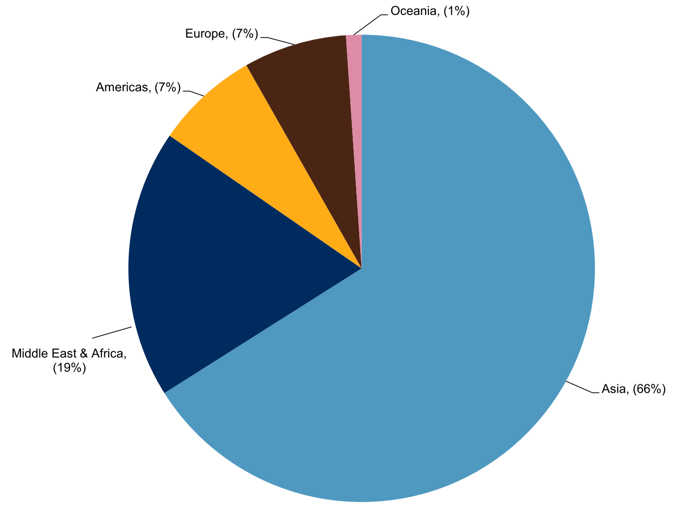
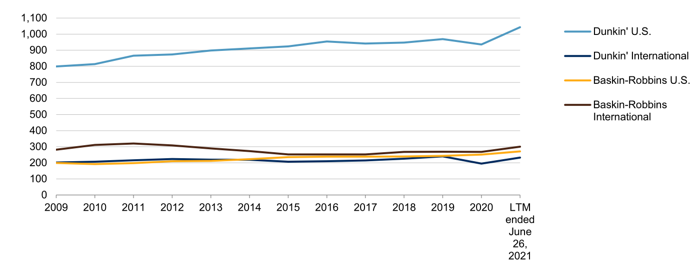


Chart 4

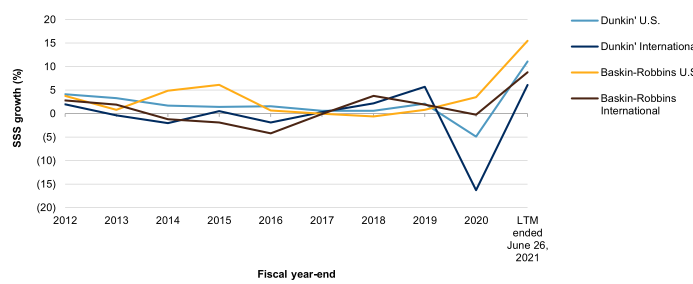
Historical AUV



AUV--Average unit volumes. LTM--Last 12 months. Source: Dunkin' Brands Inc.

Chart 5

Historical SSS Growth



SSS--Same-store sales. LTM--Last 12 months.

Collateral

The notes will be secured by a security interest in substantially all of the assets of the master issuer and guarantors, and will include:

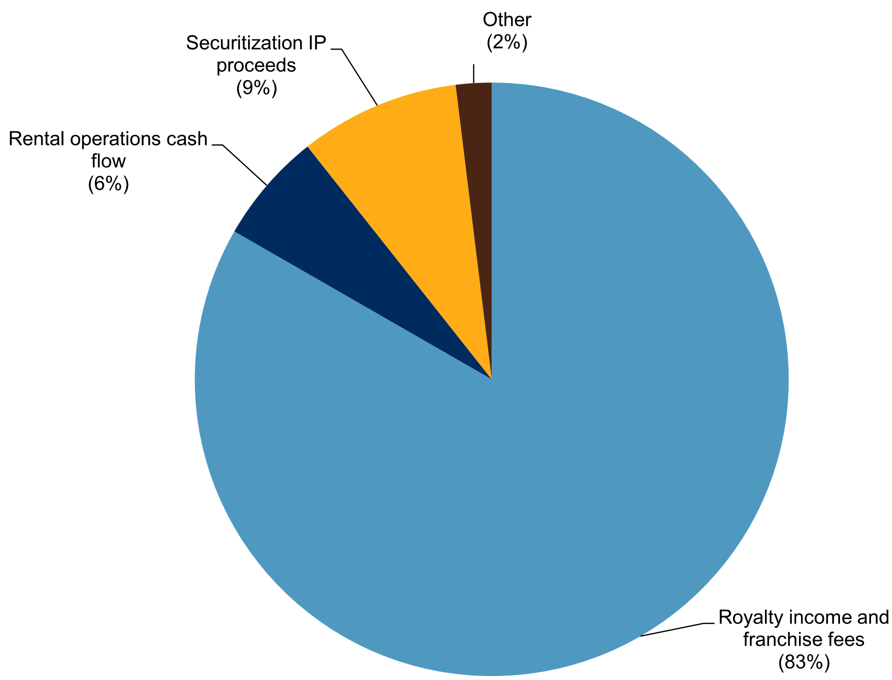
- Existing and new franchise and development agreements and the related franchisee payments (domestic and certain international arrangements);
- Securitization intellectual property (IP) and IP license agreements;
- Existing and new owned real property and franchisee lease payments;
- Existing and new product sourcing agreements;
- Distributions from certain joint ventures;
- Transaction accounts;

- Any interest reserve letter of credit; and
- Membership interests in the securitization entities.

Chart 6 illustrates the relative initial contributions of the various cash flow streams to the transaction.

Chart 6

Securitized Net Cash Flows



See the Cash Flow Assumptions table (table 4) below for more details on each category of securitization collections.

Key Credit Considerations

Table 2

Key Credit Consideration

Credit Consideration	Discussion
Unhedged revenue from international operations	Revenues from international operations are not hedged for foreign exchange fluctuation, leaving cash flows vulnerable to potential swings in exchange rates.
Large domestic geographic concentrations	Geographic concentration in the three largest states accounts for approximately 33.0% of the company's U.S. store count. However, the company is targeting growth outside its core Northeast markets, most recently in the western U.S.

Table 2

Key Credit Consideration (cont.)

Credit Consideration	Discussion
SSS growth and AUV	SSS growth for U.S. locations had been in the low single-digits in the years prior to the COVID-19 pandemic with international units generally seeing negative SSS results. As locations reopened in late 2020 into early 2021, the overall network has rebounded for the LTM ended June 26, 2021; however, AUV trends for international units have generally been flat as challenges remain.
Long operating history	Baskin-Robbins and Dunkin' were founded in 1945 and 1950, respectively. Together, the brands have survived multiple economic downturns and have a loyal customer base. This supports the likelihood that brand loyalty and sales will continue even in the event that DBI was replaced as the manager.
High franchised percentage	The Dunkin' Brands system has been 100% franchised since converting its few remaining company-owned stores to franchises in 2016. This is the highest franchised percentage among the securitized restaurant systems that S&P Global Ratings rate. We believe a high franchised percentage provides the transaction with better cash flow stability and independence from the manager when compared with transactions with lower percentages of franchised stores.

BR--Baskin-Robbins. DBI--Dunkin' Brands Inc. SSS--Same-store sales. LTM--Last 12 months. AUV--Average unit volume.

Credit Rating Methodology

The following table details our specific conclusions for each of the five analytical steps in our ratings process for DB Master Trust LLC's series 2021-1.

Table 3

Credit Rating Step

Step	Result	Discussion
Step one		
Eligibility analysis	Pass	We believe that the system of franchised restaurants would likely continue to generate cash flow following a bankruptcy by the manager, because individual franchisees generally operate independently from the manager (aside from their reliance on the manager's SG&A functions, which we believe can be transferred to a backup manager). As long as a brand has sufficient customer loyalty, royalty revenues can continue to be available to service securitization debt, assuming the assets have been isolated via a true sale to a bankruptcy-remote special-purpose entity. Because we do not believe that substantially all cash flow from the system will be at risk following a manager bankruptcy, our subsequent analysis quantifies the impact of the correlated cash flow decline from the Dunkin system and compares that to ongoing required interest and principal payments to the rated debt.
Step two		
BVS	2	We made a one-category positive adjustment to the starting BVS of three implied by Inspire Brands' satisfactory business risk profile because the cash flows are revenue based and the system has demonstrated stability over more than 20 years. This results in a BVS score of '2'. Dunkin' Brands' prior standalone business risk profile was also satisfactory.
Cash flow assumptions	See table 4 below	
Min. base DSCR	1.73x	Principal and interest are fully paid in this scenario.
Anchor	'bbb'	Determined per table 1 of our corporate securitization criteria, "Global Methodology And Assumptions For Corporate Securitizations," published June 22, 2017.

Table 3

Credit Rating Step (cont.)

Step	Result	Discussion
Min. downside run DSCR	1.43x	Principal and interest are fully paid in this scenario.
Step three		
Resiliency score	Satisfactory	Determined per table 3 of the Corporate Securitization criteria.
Resiliency adjusted anchor	'bbb+'	Determined per table 4 of the Corporate Securitization criteria.
Step four		
Modifier analysis	No adjustments	This structure is not an outlier from a leverage perspective, and the anticipated repayment dates, as well as liquidity and deleveraging triggers are all comparable to other rated transactions.
Step five		
Comparable rating analysis	One notch downward	We applied a one-notch downward adjustment to the comparable rating analysis to address the system's generally weaker historical performance of the international units. Preliminary rating is 'BBB (sf)'.

BVS-- Business volatility score. SG&A--Sales and general and administrative. DSCR--Debt service coverage ratio. SSS--Same-store sales.

Table 4 shows our cash flow assumptions.

Table 4

Cash Flow Assumptions

	Cumulative decline (%)		
Asset cash flow category	**Base case**	**Downside case(i)**	**Description**
Franchise royalties	0	15	Franchise royalties, which constitute a majority of the overall projected cash flow, are a function of store count, AUV, and royalty rates.
Other franchisee payments	0	15	Includes periodic fees such as renewal and term extension fees, transfer fees, late fees, and on-line training fees. In our analysis, we do not project any fees related to new store development, such as store opening fees.
Securitization IP and products sourcing proceeds	0	30	Sales of ice cream and other products to franchisees in certain international markets.
Net rental income	0	30	Rental income from restaurant properties that Dunkin' Brands leases or subleases to franchisees
Joint venture dividends	0	30	Dividends received from joint ventures in various markets, including South Korea, and Japan, net of withholdings.
Other receipts	0	30	Includes refranchising gains, gains on the sale of real estate, interest income earned, and other miscellaneous revenues.

(i)For the downside case, we applied periodic stresses to non-U.S. store revenue to address the risk of foreign exchange rate volatility; we assumed foreign currency depreciation rates consistent with our criteria "Foreign Exchange Risk In Structured Finance--Methodology And Assumptions," published April 21, 2017. DBI--Dunkin' Brands Inc. AUV--Average unit volume. DSCR--Debt service coverage ratio. IP--Intellectual property.

Sensitivity Analysis

Sensitivity run 1: Management fee stress

Using the base-case assumptions in table 3 above, we determined that the management fee could be increased by as much as 268.0% (translating to an approximately 48.0% reduction in net securitized cash flow relative to the base case) without any impact on the transaction's ability to pay timely interest and full principal payments by the legal final maturity. In our opinion, the additional management fee stresses what could occur if the company were to experience a bankruptcy. While the management fee is currently outlined in the transaction documents, we believe that it may be possible that such fees might be renegotiated in a potential bankruptcy scenario.

Sensitivity run 2: Event-driven stress

Starting with the base-case scenario assumptions, we determined the maximum haircut to cash flow that would allow timely interest and full principal payments by the transaction's legal final maturity date. This haircut to cash flow after fees is approximately 54.0%. We examined several event risks associated with cash flow losses, including royalty losses from the top five states with respect to store count (New York, Massachusetts, Florida, New Jersey, and Illinois), and from the top 10 franchisees. Under these scenarios, our analysis showed that the transaction would be able to pay timely interest and full principal by legal final maturity.

Structural Protection Summary

The structural features and credit enhancements (summarized in table 5) are generally consistent with those of other recently rated corporate securitizations.

Table 5

Structural Features

Test	DB Master Finance LLC (Series 2021-1)
Rapid amortization DSCR trigger (P&I)	1.2x.
Rapid amortization system-wide sales	$4.2 billion Dunkin' U.S. system-wide sales.
Cash flow sweep DSCR trigger (P&I)	1.75x (50% trap); less than 1.5x (100% trap).
Senior ABS leverage ratio non-amortization test(total debt/EBITDA)	5.0x (no schedule amortization if Inspire leverage ratio is less than or equal to this level).
ARD horizon(i)	Five, seven, and 10 years for A-2-I, A-2-II, and A-2-III, respectively.
Scheduled amortization through ARD (%)	1.0.
Manager termination DSCR trigger (IO)	1.2x.

Table 5

Structural Features (cont.)

Test	DB Master Finance LLC (Series 2021-1)
Event-of-default DSCR trigger (IO)	1.1x.
Management fee	The management fee, which includes both fixed and variable components, is a function of the total stores in operation. According to the transaction documents, the fixed component is assumed to be $32.5 million annually, and the variable component is assumed to be $8,525 for every $100,000 of the retained collections over the preceding four quarterly fiscal periods. The management fee is also subject to a 2.0% annual increase if the increased amount does not exceed 35.0% of retained collections in the preceding four quarterly collection periods.

(i)Failure to pay notes in full by their applicable ARDs constitutes a rapid amortization event, but not an event of default. Given a rapid amortization event, pro rata rapid amortization will begin for all class A-2 tranches; the class A-2-I notes will have a one-year cure period (from the ARD) in which to pay notes in full and subsequently turn off the rapid amortization if certain ratio tests are satisfied, including a P&I DSCR of at least 2.0x. DBI--Dunkin' Brands Inc. DSCR--Debt service coverage ratio. P&I--Principal and interest. ARD--Anticipated repayment date. IO--Interest only.

Payment Priority

The transaction currently includes four class A notes that will pay interest and principal quarterly from weekly distributions in the priority shown below (see table 6). Currently, the transaction includes no senior subordinated or subordinated notes; however, the transaction may issue these notes if certain conditions are met.

Table 6

Payment Priority

Priority	Payment
1	Solely for amounts from indemnification, permitted asset dispositions, and insurance/condemnation payments: (a) to the trustee, and then to the servicer for unreimbursed advances; (b) to the manager for any unreimbursed advances; (c) if a class A-1 note amortization event is continuing, the class A-1 notes; (d) all other senior notes; (e) if item (c) does not apply, the class A-1 notes; (f) to the senior subordinated notes, if any; and (g) to the subordinated notes, if any.
2	To the trustee, and then the servicer for unreimbursed advances; on or after the 2021 springing amendments implementation date, to the back-up manager for unreimbursed advances; then to the manager for unreimbursed advances; and then to the servicer for servicing fees, liquidation fees, and workout fees. On and after the 2021 springing amendments implementation date, any such fees previously accrued and unpaid.
3	Successor manager transition expenses, if any.
4	Weekly management fees to the manager. On and after the 2021 springing amendments implementation date, pay any previously accrued and unpaid weekly management fee.
5	Capped securitization operating expense amount; to the trustee, on or after the 2021 springing amendments implementation date, any such fees previously accrued and unpaid to the trustee and servicer; the post-default capped trustee expense amount; and after a mortgage recordation event, to the trustee, all mortgage recordation fees.
6	Interest on the senior notes, the class A-1 note commitment fee amount, and hedge payments, if any.
7	The capped class A-1 note administrative expense amount.
8	Interest on the senior subordinated notes, if any.
9	The senior note interest reserve account deficiency amount; and then the senior subordinated note interest reserve account deficiency amount, if any.

Table 6

Payment Priority (cont.)

Priority	Payment
10	The senior notes scheduled principal payment amount, any senior notes scheduled principal payment deficiency amount, and any letter of credit collateralization amounts.
11	Supplemental management fee, if any, together with any previously accrued and unpaid supplemental management fee.
12	So long as no rapid amortization has occurred, if the class A-1 note amortization event is continuing, to the class A-1 notes' principal.
13	If no rapid amortization has occurred during a cash trapping period, any cash trapping amount to the cash-trap reserve account.
14	If a rapid amortization has occurred and is continuing, all remaining amounts to pay down the class A notes, and then any senior subordinated notes.
15	So long as no rapid amortization event has occurred, any senior subordinated notes scheduled principal payment amount; and then senior subordinated notes scheduled principal payment deficiency amount, if any.
16	Uncapped securitization operating expenses, in excess of the capped securitization operating expenses above.
17	Uncapped class A-1 note administrative expenses amounts, in excess of the capped class A-1 note administrative expenses above.
18	Other class A-1 note amounts.
19	Interest on the subordinated notes, if any.
20	So long as no rapid amortization event has occurred, the subordinated notes scheduled principal payment amount; and then the subordinated notes scheduled principal payment deficiency amount, if any.
21	If a rapid amortization has occurred and is continuing, all remaining amounts to pay down the subordinated notes, if any.
22	After the ARD, post-ARD contingent interest on the senior notes.
23	After the ARD, post-ARD contingent interest on any senior subordinated notes.
24	After the ARD, post-ARD contingent interest on any subordinated notes.
25	Hedge termination payments, any other unpaid hedge amounts, and any cash management obligations, pro rata.
26	Any unpaid premiums and make-whole prepayment premiums on the senior notes.
27	Any unpaid premiums and make-whole prepayment premiums on any senior subordinated notes.
28	Any unpaid premiums and make-whole prepayment premiums on any subordinated notes.
29	Any remaining funds at the direction of the master issuer.

ARD—Anticipated repayment date.

Surveillance

We will maintain active surveillance on the rated notes until the notes mature or are retired. The purpose of surveillance is to assess whether the notes are performing within the initial parameters and assumptions applied to each rating category. The transaction terms require the issuer to supply periodic reports and notices to S&P Global Ratings for maintaining continuous surveillance on the rated notes.

We view Dunkin' Brands' performance as an important part of analyzing and monitoring the performance and risks associated with the transaction. While company performance will likely have an effect on the transaction, we believe other factors such as cash flow, debt reduction, and legal framework also contribute to the overall analytical opinion.

Related Criteria

- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- Criteria | Structured Finance | General: Global Framework For Payment Structure And Cash Flow Analysis Of Structured Finance Securities, Dec. 22, 2020
- Criteria | Structured Finance | Legal: U.S. Structured Finance Asset Isolation And Special-Purpose Entity Criteria, May 15, 2019
- Criteria | Structured Finance | General: Counterparty Risk Framework: Methodology And Assumptions, March 8, 2019
- Criteria | Structured Finance | General: Incorporating Sovereign Risk In Rating Structured Finance Securities: Methodology And Assumptions, Jan. 30, 2019
- Criteria | Structured Finance | ABS: Global Methodology And Assumptions For Corporate Securitizations, June 22, 2017
- Criteria | Structured Finance | General: Foreign Exchange Risk In Structured Finance--Methodology And Assumptions, April 21, 2017
- Legal Criteria: Structured Finance: Asset Isolation And Special-Purpose Entity Methodology, March 29, 2017
- Criteria | Structured Finance | General: Global Framework For Assessing Operational Risk In Structured Finance Transactions, Oct. 9, 2014
- General Criteria: Global Investment Criteria For Temporary Investments In Transaction Accounts, May 31, 2012
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- IRB Holding Corp. 'B' Rating Affirmed On Dunkin' Brands Acquisition; Removed From CreditWatch; Outlook Positive, Nov. 12, 2020
- Credit FAQ: The Key Ingredients for Whole Business Securitization Ratings, Feb. 22, 2019
- Why Social Media Should Be A #trendingtopic In Corporate Securitization Analysis, June 9, 2017
- Global Structured Finance Scenario And Sensitivity Analysis 2016: The Effects Of The Top Five Macroeconomic Factors, Dec. 16, 2016