Moody's Japan K.K.
Ratings Assignment Policy, etc.

1. General Principal

Moody's Japan K.K. (Moody's) shall, in order to ensure the quality of the credit ratings assigned by Moody's and to carry out the credit rating business fairly and accurately, stipulate and update from time to time this Ratings Assignment Policy etc.

Ratings analyst involved in the process of assigning credit ratings shall synthesize all information and materials regarding financial instruments or a corporation's credit standing which he or she has collected.

2. Assumptions on which the assessment of credit standing will be based and the standards for stipulating the grades which will indicate the results of the assessment of credit standing

The assumptions on which the assessment of credit standing will be based and the standards for stipulating the grades which will indicate the results of the assessment of credit standing, in accordance with the classification and details of the matter subject to the credit rating, shall be as described in "Matters Relating to Ratings Assignment Policy, etc. Prescribed under Article 299, Item 36 (a) of the Cabinet Office Ordinance with Respect to Financial Instruments Business, Etc.", which is posted on our website, "Credit Rating Business" category, under sub-category "Ratings Methodologies"

3. Outline of the method for the determination of credit ratings

Outline of the method for the determination of credit ratings are described in the respective rating methodologies shown on our website, "Rating Methodologies" category, under sub-categories classified into "Corporate, Financial Institutions, Sub-Sovereigns." and "Structured Finance."

4. Policies and procedures, etc. enabling confirmation by rating-related person of whether there are misunderstandings of facts, etc.

Prior to providing or providing for perusal an assigned credit rating, Moody's shall take measures enabling the confirmation beforehand by the rating-related person of whether there are misunderstandings of facts in relation to important information used by the credit rating business in assigning such credit rating. Such procedures shall include the securing of reasonable time necessary for such rating-related person to state an opinion on the facts; specifically, prior to providing or providing for perusal an assigned credit rating, confirmation will be made with the appropriate rating-related person whether there is any misunderstanding of facts, new or additional material information that would require a reconsideration of the credit rating, and if such rating-related person does provide such information within a reasonable time, the chief ratings analyst or chairman shall delay providing or providing for perusal the credit rating, convene a meeting of the rating committee to review the suitability and materiality of such information, and make a judgment on whether to make any revisions after considering the impact on the credit rating, provided, however, if the rating-related person merely disagrees with Moody's credit rating or intends to delay the provision of or availability of the credit rating, such procedures shall not be taken.

Prior to providing or providing for perusal the credit rating, the chief rating analyst shall notify the rating-related person of the decision of the ratings committee.
5. Policy and procedure regarding assignment of unsolicited credit ratings

Moody’s, as a provider of opinions about credit, may assign an unsolicited rating if (i) there is an appropriate level of interest in the announcement of an unsolicited rating by credit markets and investors, and (ii) it is believed that there is sufficient information for an appropriate analysis and if necessary for the continuous verification and updating of an assigned credit rating. If a decision is made to announce an unsolicited rating, Moody’s shall notify the rating-related person of the following:

(1) That it intends to make an announcement concerning credit rating;

(2) That it seeks the participation of the rating-related person in the process of assigning the credit rating, but the rating-related person is free to decide its degree of participation; and

(3) That because the process of assigning a credit rating was commenced based on Moody’s decision, during the period when the process is underway and for at least one year after the credit rating is provided or provided for perusal, no demand for consideration for the assignment for the credit rating will be made to the rating-related person, nor would such consideration be accepted.