

# MOODY'S

## MIS – MA Separation Policy

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Issued by: Moody's Compliance Department  
Applicable to: All MCO Employees  
Effective Date: November 9, 2020

### PURPOSE

The purpose of this policy is to provide guidance to Employees regarding the sharing of information between Moody's Investors Services (MIS)<sup>1</sup> and Moody's Analytics (MA). MIS and MA are affiliates of one another and subsidiaries of Moody's Corporation. As Employees of independent companies, separated legally, physically and operationally, MIS and MA Employees generally do not share business information with each other. In certain instances, however, information sharing is appropriate and permitted. This Policy provides guidance to Employees regarding the appropriate sharing of information between MIS and MA in order to mitigate any potential for the appearance of a conflict of interest.

### POLICY

The remainder of this document is divided into two sections that separately address Corporate Interactions and Employee Interactions.

#### 1. Corporate Interactions

- 1.1 MIS and MA may share information and otherwise interact with each other where there is a valid business purpose for doing so and the interaction does not interfere with or compromise the integrity of MIS's business as a credit rating agency.
- 1.2 MIS and MA may enter into contractual arrangements for the provision of services and the license of products, services and other intellectual property from one business to the other. The terms of these agreements may permit certain types of information sharing.

#### 2. Employee Interactions

##### 2.1 Confidential Information

Employees may share Confidential Information only with other Employees who have a business need to know that information. The sharing of Confidential Information that includes Covered MIS Information or Covered MA Information is subject to the additional restrictions described below.

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<sup>1</sup> Including the Employees of all Moody's Local Jurisdiction.

## 2.2 Covered MIS Information and Covered MA Information

Additional protection in the form of review and approval by both MIS and MA Compliance is required prior to the sharing of Covered MIS Information with MA Employees or Covered MA Information with MIS Employees. The requesting Employee must have a business need to know the particular Covered MIS Information or Covered MA Information. Compliance may impose certain requirements or controls to allow the sharing of the information.

For sake of clarity, except as provided above, MIS Employees:

- i. shall not communicate Covered MIS Information to MA Employees;
- ii. shall not allow non-MIS Employees<sup>2</sup> to have access to electronic files or paper files containing Covered MIS Information;
- iii. shall store Covered MIS Information securely in a manner that is designed to avoid disclosure to non-MIS Employees; and
- iv. shall only communicate Covered MIS Information to other MIS Employees who have a business need to know that information.

For sake of clarity, except as provided above, MA Employees:

- i. shall not communicate Covered MA Information to MIS Employees;
- ii. shall not allow non-MA Employees<sup>3</sup> to have access to electronic files or paper files containing Covered MA Information;
- iii. shall store Covered MA Information securely in a manner that is designed to avoid disclosure to non-MA Employees; and
- iv. shall only communicate Covered MA Information to other MA Employees who have a business need to know that information.

## 2.3 Sharing Covered MIS Information or Covered MA Information with Moody's Shared Services Employees

The standard for sharing Covered MIS Information and Covered MA Information is the same as for sharing Confidential Information under Section 2.1. MIS Employees may share Covered MIS Information and MA Employees may share Covered MA Information with Moody's Shared Services Employees who have a business need to know that information.

If you have questions about what constitutes Confidential Information, Covered MIS Information, or Covered MA Information, please contact the Compliance Department. If you have questions about whether sharing specific information is appropriate or would be covered under an existing information sharing arrangement, please contact your Manager, who will consult with the Compliance Department as necessary.

<sup>2</sup> The prohibition on sharing information with non-MIS Employees does not extend to Moody's Shared Services Employees who have a business need to know the information.

<sup>3</sup> The prohibition on sharing information with non-MA Employees does not extend to Moody's Shared Services Employees who have a business need to know the information.

## DEFINED TERMS

### Confidential Information

Confidential Information is any competitively sensitive and/or material Non-public Information that is maintained or otherwise handled by Moody's, Moody's employees or others with whom Moody's does business, including, but not limited to:

- » Non-public Information used for, or obtained from an issuer or its agent for the purpose of, determining a Rating and, if applicable the related rating Outlook or rating Review;
- » information concerning a pending Rating prior to the announcement of that Rating;
- » information concerning the rating committee process, including, but not limited to, the voting breakdown in committee, the fact that a member of the rating committee disagreed with the ultimate committee decision, and the names or titles of members of the committee;
- » Non-public Information relating to Moody's customers and information provided by Moody's customers, including internal risk assessment models, information concerning the performance of those models, historical default data for loan portfolios, customer-specific loan pricing information, and information concerning portfolio composition and concentration;
- » Moody's nonpublic financial information and sales projections;
- » Information regarding Moody's business plans, strategies, proprietary systems, algorithms, formulas, methodologies, product designs, processes, research and development information and trade secrets;
- » Special Personal Information.

### Covered MA Information

Covered MA Information means:

- (i) Non-public Information received from MA customers, including internal risk assessment models, information concerning the performance of those models, historical default data for loan portfolios, customer-specific loan pricing information, and information concerning portfolio composition and concentration; and
- (ii) Non-public Information identifying a person or entity as a customer of MA.

### Covered MIS Information

Covered MIS Information means:

- (i) Non-public Information used for, or obtained from a rated entity or its agent for the purpose of, determining a Rating;
- (ii) information concerning a pending Rating prior to the announcement of that Rating; and
- (iii) information concerning the rating committee process, including, but not limited to, the voting breakdown in committee, the fact that a member of the rating committee disagreed with the ultimate committee decision, and the names or titles of members of a rating committee.

Information an Analyst knows is available to third parties on a non-confidential basis is not Covered MIS Information.

### Employee(s)

An Employee is any full-time or part-time employee of Moody's Corporation or any of its wholly-owned

subsidiaries, wherever located.

#### MA

“MA” refers to Moody’s Analytics, Inc. and the wholly-owned subsidiaries of MCO that engage in non-rating commercial activities.

#### MA Employee

MA Employee means any full-time or part-time employee of MA.

#### MCO

MCO refers to Moody’s Corporation and its majority-owned affiliates.

#### MIS Employee

MIS Employee means any full-time or part-time employee of MIS.

#### Moody’s Investors Service, Inc. (MIS)

MIS refers to Moody’s Investors Service, Inc. and its affiliates that issue Ratings under the “Moody’s Investors Service” brand name.

#### Moody’s Local (ML)

ML refers to Moody’s Local and its affiliates that issue Ratings under the “Moody’s Local” brand name. A suffix will be added to specify each jurisdiction using the brand name.

#### Moody’s Local (ML) Employee

The term Moody’s Local Employee refers to any full-time or part-time employee of a Moody’s Local entity.

#### Moody’s Shared Services Employee

The term “Moody’s Shared Services Employee” means any full-time or part-time employee of Moody’s Shared Services, Inc. or any other wholly-owned subsidiary of MCO that provides services to MCO, MIS, ML and/or MA, including but not limited to Employees in the following functions: Legal, Compliance, Government and Public Affairs, Finance, Information Technology, and Human Resources.

#### Non-Public Information

Non-public Information is information that has not been publicly disseminated (for example, through public filing with a securities regulatory authority; issuance of a press release; disclosure of the information in a national or broadly disseminated news service; or the issuance of a proxy statement or prospectus).

#### Rated Entity

A Rated Entity means any entity rated by a Moody’s credit rating agency or any entity that issues securities rated by a Moody’s credit rating agency.

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