



## Policy on Communication of Public Rating Actions

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Issued by: Compliance Department  
Applicable to: All MCO Employees  
Scope: Global  
Effective Date: January 2, 2020

### POLICY

This policy is intended to safeguard Ratings-related confidential information intended for public release prior to it being published on [www.moodys.com](http://www.moodys.com) and to help ensure consistent and complete communication of such information.<sup>1</sup>

Employees can communicate a public Rating or a public Credit Rating Action, or distribute a public Rating Announcement, to individuals outside of MCO only after it has been published on [www.moodys.com](http://www.moodys.com), and the Employee has confirmed that the information is available on the website. This is necessary to ensure that no one outside of MCO learns of such information before it has been made available to the public via publication on [www.moodys.com](http://www.moodys.com).

### How To Communicate Public Ratings, or Public Credit Rating Actions And Distribute Public Rating Announcements

The requirements described below are not triggered by: 1) the sharing or distribution of research published by Moody's Investors Service ("MIS"), or 2) the sharing or distribution of Sales and Marketing information by the Commercial Group, so long as that information includes any disclaimers or other disclosures required by Legal.

#### A. For Communications With External Parties That Are Not Rated Entities and/or Agents

For the reasons cited above:

1. When communicating via email with external parties that are not a Rated Entity or Agent, Employees must include in the email either a link to the public Rating Announcement or to the Rated Entity landing page on [www.moodys.com](http://www.moodys.com).

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<sup>1</sup> On occasion, technical problems with [www.moodys.com](http://www.moodys.com) may lead to a situation where information regarding a public rating action is disseminated to the news wires before such information has been posted on [www.moodys.com](http://www.moodys.com). In such circumstances, Employees must continue to wait for the information to be published on [www.moodys.com](http://www.moodys.com) before communicating the information to parties outside of MCO, and should contact the Press Desk for further guidance.

Employees may not attach or distribute a PDF or other hard copy of a Rating Announcement downloaded from [www.moodys.com](http://www.moodys.com) unless you are granted an exception as described in B. below.

2. When communicating verbally, only convey information publicly posted on [www.moodys.com](http://www.moodys.com).

Employees who cannot comply with the above stated requirements or otherwise seek to deviate from the established requirement must first obtain approval via the exception process described below.

#### B. Exception Process for Communicating Public Ratings, or Public Credit Rating Actions and the Distribution of Public Rating Announcements

If you are unable to provide a link to [www.moodys.com](http://www.moodys.com) and must attach a PDF or other hard copy downloaded from [www.moodys.com](http://www.moodys.com), as described above, then you must first obtain express written approval from a senior manager at the AMD level or above and then the Compliance department before proceeding to communicate via email a public Rating, public Credit Rating Action or public Rating Announcement. All requests for exceptions should state clearly the reason for the need for an exception.

#### C. Rated Entities and/or Agents

Nothing in this Policy prohibits or restricts Analysts from communicating to the Rated Entity or its Agent a Rating Action prior to its public issuance. (See Section 3.8 of the MIS Code of Professional Conduct.) This policy also should not be interpreted as restricting the ability of Employees to reference Ratings in Moody's published research.<sup>2</sup>

#### D. Appropriate Dialog

Furthermore, nothing in this policy is intended to prevent Employees from discussing or otherwise communicating to external parties public information regarding MIS's analysis in accordance with MIS's standards for appropriate dialog.

## DEFINED TERMS

### Agent

An agent is any party working on behalf of a Rated Entity, or working on behalf of an agent of the Rated Entity.

### Anticipated Ratings Process

Anticipated Ratings Process is the process by which a provisional notation may be removed from a Credit Rating assigned to an instrument or issuer, when the applicable contingencies which were the basis for affixing the (P) notation are deemed to have been fulfilled. For example, when a rating of (P) Baa1 is assigned to a debt instrument, it is anticipated that the (P) notation will be removed from the Baa1 rating when it is determined that the contingencies indicated by the (P) notation have been fulfilled.

### Commercial Group

The Commercial Group is the MIS department that is responsible for business strategy and planning, new business origination, and business relationships with Issuers and Rated Entities.

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<sup>2</sup> It may also be appropriate in some cases to provide such information prior to its public issuance to regulatory or other government authorities. In such circumstances, Employees should consult with the Compliance and Legal Departments for further guidance.

### Credit Rating Action

A Credit Rating Action is any one of the items below:

- i. the assignment of a Credit Rating to a Rated Entity or obligation, including Credit Ratings assigned in the Subsequent Ratings Process;
- ii. the removal of a provisional notation from a Credit Rating when applicable contingencies are deemed to have been fulfilled in the Anticipated Ratings Process;
- iii. a change in a Credit Rating (i.e., upgrade or downgrade);
- iv. placing a Credit Rating on Review, changing the direction of an existing Review or taking a Credit Rating off Review (i.e., Credit Rating Confirmation);
- v. the assignment or change in an Outlook associated with a Rated Entity or one or more Credit Ratings;
- vi. an Affirmation of a Credit Rating; and
- vii. a Withdrawal of a Credit Rating.

### Credit Rating Announcement

A Credit Rating Announcement is a written communication that may be used to announce the publication of a Credit Rating Action related to public Credit Rating, Unpublished Monitored Loan Ratings or Unpublished Monitored Private Placement Ratings. MIS may also publish a Credit Rating Action related to public Credit Ratings on [www.moodys.com](http://www.moodys.com) that is not accompanied by a Credit Rating Announcement.

### Employee

An Employee is any full-time or part-time employee of Moody's Corporation or any of its wholly-owned subsidiaries, wherever located.

### MCO

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

### 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.

### Rated Entity (ies)

A Rated Entity means any entity rated by MIS or any entity that issues securities rated by MIS or any entity that is seeking a Credit Rating from MIS.

### Rating

A Rating is any rating or assessment with respect to Credit Rating Services, Ancillary Services, and Other Permissible Services.

### Rating Announcement

Rating Announcements are those written communications that publicly announce a Rating, including but not limited to Credit Rating Announcements.

### Sales and Marketing

"Sales and Marketing" consist of meetings, discussions, email or other communications (whether internal or external) regarding client-specific pricing, contracts, invoices, fees or sales data for any product(s) or service(s) offered by MCO. The following are not "Sales and Marketing": 1) Writing or otherwise generating research for publication by MCO; 2) Sharing or discussing MIS rating methodologies, ratings, opinions or research, general discussion about market developments and trends, MA research, or related products or services with issuers, subscribers, investors, intermediaries or other market participants, whether such communications occur via: a.) Meetings, telephone calls, video conferences, discussions, roundtables, email or other communications b.) Presentations at or participation in

market events, including events sponsored partly or fully by MIS and/or MA and events sponsored by other parties c.) Other activities arranged or facilitated by representatives of MIS and/or MA or conducted jointly by Credit Rating Personnel and other representatives of MIS and/or MA; 3) Identifying opportunities and developing products and services to enhance the transparency, analytical rigor or independence of MIS rating methodologies, research or opinions; 4) Other activities whose purpose is to enhance the transparency, analytical rigor or independence of MIS rating methodologies, research or opinions.

### Subsequent Ratings Process

Subsequent Ratings Process is the process of assigning Credit Ratings (together with the associated outlook or review status, if applicable) that are derived exclusively by reference to an existing Credit Rating of a program, series category/class of debt or primary Rated Entity. This includes:

- » Assignment of a Credit Rating to issuance of debt within or under an existing rated program where the transaction structure and terms have not changed in a manner that would affect the Credit Rating indicated by the program rating (examples include covered bond programs, shelf registrations, and medium term note programs);
- » Credit Ratings assigned based on the pass-through of a primary Rated Entity's Credit Rating, including monoline or guarantee linked ratings; or
- » Assignment of Credit Ratings to debt instruments of the same seniority as previously rated debt when such issuance of debt is contemplated in the existing Credit Ratings. Examples include ratings on debt issued by frequent corporate and government issuers. This also includes Credit Ratings assigned to new debts or amended and extended credit facilities by reference to an existing rating of the same debt class, at the same rating level, whether or not the new debts replace similarly structured debts or credit facilities.

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