



Corporate and Structured Finance Fee Discussions

PURPOSE

The purpose of this policy is to set out how the organization maintains the integrity of its rating processes by separating its personnel who engage in analytical processes from those involved in fee discussions.

DEFINITION

“Analytical Personnel” means any employee who is responsible for participating in determining, approving or monitoring credit ratings or developing or approving procedures, methodologies, or models used for determining credit ratings.

“Non Analytical Personnel” means all employees who do not meet the definition of Analytical Personnel.

ANALYTICAL AND COMMERCIAL SEPARATION

In order to ensure that the determination of ratings is influenced only by factors relevant to credit assessments and not influenced by broader business considerations, an organizational and committee structure is maintained that is designed to effectuate the separation of its Analytical Personnel from those who are involved in fee discussions with issuers, or potential issuers who may seek a rating.

Ratings and rating actions are determined by Corporate and Structured Finance rating committees, and methodologies and models that are applied in the rating analysis are approved by Corporate and Structured Finance criteria committees. Only Analytical Personnel are eligible voting members on rating and criteria committees. Non Analytical Personnel who are involved with any aspect of the fee or payment process are not permitted to participate on rating and criteria committees.

All Analytical Personnel and staff directly involved in credit rating activities are prohibited from initiating, arranging, negotiating or participating in discussions regarding fees or payments for ratings. All aspects of the fee and payment process are required to be conducted by Non Analytical Personnel who are not directly involved in credit rating activities.