VAST RATINGS

Firewall Policy

VAST Ratings

EXECUTIVE SUMMARY

Objective: To manage potential conflicts of interest regarding VAST's assignment (both pending and actual) or maintenance of Ratings on certain affiliated entities by setting forth prohibitions and disclosure requirements on the assignment or maintenance of Ratings where there is a common control, ownership interest or other affiliation between VAST and that entity.

1. INTRODUCTION

As a general matter, VAST is prohibited from assigning or maintaining Ratings on any entity directly or indirectly controlling, controlled by or under common control with VAST. For affiliations not involving control, VAST must eliminate, or manage and disclose, potential conflicts arising out of it having a direct or indirect interest in a Rated Entity, or if a Rated Entity has a direct or indirect interest in VAST.

2. DEFINITIONS

"Affiliate" means any entity that is an affiliate of VAST.

"BRM" means Business and Relationship Management.

"CRA" means a credit rating agency.

"Director Affiliations" means, with respect to any Manager, their service as a director, officer or trustee of a Rated Entity.

"Disclosable Interest" means, with respect to an entity, an Equity Interest or directorship held by a Manager that is required to be disclosed in the Disclosure Appendix.

"Disclosure Appendix" means the Disclosure Appendix published pursuant to Section 4.2 of this Policy.

"Disqualifying Interest" means, with respect to an entity, an Equity Interest or directorship held by a Manager other than a Disclosable Interest.

"Equity Interest" means, with respect to an entity, a percentage of any of the capital, voting rights or any other ownership interest of the entity or any of its Related Third Parties.

"Manager" means an individual who is a member of the Board of Managers of VAST.

"Member" means a person or entity who is a Member of VAST.

"Private Rating" means a Rating which VAST has not published on its website, www.vastratings.com.

"Public Rating" means a Rating which VAST has published on its website, www.vastratings.com.

"Rated Entity" means (i) the issuer, obligor or (ii) an entity to which VAST has currently assigned a Rating. The requirements with respect to Rated Entities as set forth in this Policy apply regardless of the type, nature or legal form of the Rated Entity, including whether it is a for-profit or not-for-profit entity.

"Rating" means a "Rating" issued by VAST that assesses the creditworthiness of an issuer or its Securities.

"Security" means any security, or other financial instrument.

"VAST" means VAST Ratings, LLC.

3. PROHIBITIONS ON ASSIGNING OR MAINTAINING RATINGS; DISCLOSURES

VAST will not initiate or maintain a Rating on an entity or its Securities if it is subject to a Disqualifying Interest.

This remainder of this section sets forth those circumstances where initiating or maintaining a Rating on an entity and/or its Securities is not prohibited due to Disqualifying Interest, but nonetheless for purposes of managing and disclosing potential conflicts, further disclosures are appropriate or necessary.

3.1 Disclosable Interests

If VAST has a Disclosable Interest with respect to an entity, or if VAST is permitted to assign or maintain a Rating following conclusion of the assessment process set forth in Section 4.2, then VAST shall publicly disclose the existence of that Disclosable Interest by posting the information on the VAST public website, and:

- with respect to each Public Rating of the Rated Entity and its Securities, and any subsequent changes to or affirmations of that Public Rating, by including a link to the posted disclosures in the relevant rating action commentaries; and

- with respect to each Private Rating of the Rated Entity and its Securities, and any subsequent changes to or affirmations of that Private Rating, by including the URL or link to the posted disclosures in the relevant rating letter or any subsequent rating action letter.

3.2 Global Disclosure of Director Affiliations

VAST will provide market participants and the public with information, provided to VAST annually by its Managers, pertaining to the Director Affiliations, by annually posting or updating the information on its public website, and

- in the case of a Public Rating, by including a link to the posted disclosures in the rating action commentaries setting forth the Public Rating(s) of the Rated Entity or its Securities, and any subsequent changes to or affirmations of such Public Rating(s); or

- in the case of a Private Rating, by including the URL or link to the posted disclosures in the rating letter with respect to such Private Rating, and any subsequent rating action letters.

4. OTHER CONTROLS & REQUIREMENTS

4.1 Employee Notification Requirement

If an employee becomes aware that (i) any ownership, directorship, control or other information set forth in the Disclosure Appendix is incorrect or incomplete, or (ii) a change in the facts or circumstances has occurred that may be relevant to a prior determination permitting VAST to initiate or maintain a Rating on an entity or its Securities, the employee must promptly inform Compliance (by email at compliance@vastratings.com) and their manager. In such cases:

- other than carrying out ongoing monitoring tasks with respect to existing Ratings, the employee must cease all further rating activities with respect to that entity and/or its Securities unless and until notified otherwise by Compliance; and

- Compliance will initiate the assessment process, in accordance with Section 4.2, to determine whether rating activities with respect to that entity and/or its Securities can proceed or continue and, if so, whether any additional restrictions, limitations or disclosures would be appropriate.

4.2 Compliance Responsibilities:

Compliance shall:

- Disclosure Appendix. Produce, update and publish the Disclosure Appendix internally on a regular basis.

- Assessment Process Relating to Potential Conflicts of Interest. Upon identifying a new potential conflict of interest that may trigger a prohibition in accordance with Section 3, convene a group of internal stakeholders charged with performing a documented assessment of:

  - the specifics of the potential conflict,
  - whether VAST may assign, or continue to maintain, a Rating on the entity or its Securities given the potential conflict and, if so, whether any previously assigned Ratings should be re-examined,
  - the type and nature of the appropriate disclosures if the Rating can be assigned or maintained, and
  - whether any additional measures are required to manage the potential conflict.

Upon completion of the assessment, Compliance will communicate the results to relevant VAST employees.

- Director Affiliations. Produce, update and publish on VAST's website, www.vastratings.com, the disclosure of Director Affiliations set forth in Section 3.2.

- Disclosable Interests. Produce, update and publish on VAST's website, www.vastratings.com, the Disclosable Interests set forth in Section 3.

4.3 BRM

Prior to entering into an engagement whereby the counterparty requests VAST to assign, or to monitor, a Rating for an entity or Rated Entity and/or its Securities, the relevant BRM employee shall confirm whether the prohibitions of this Policy apply, by taking the steps set forth in the relevant policies and procedures governing BRM.

4.4 Analytical Group

Prior to assigning a new Rating, or taking any rating action with respect to an existing Rating, the primary Analyst assigned to the Rating shall confirm whether the prohibitions (for all Ratings) or disclosure obligations (for Private Ratings) of this Policy apply, by taking the steps set forth in the relevant policies and procedures governing the ratings process.