

## **Form NRSRO Exhibit #3.**

### **Policies or procedures adopted and implemented to prevent the misuse of material, non-public information.**

Effective date November 9, 2015

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#### **CONFIDENTIAL AND MATERIAL NON-PUBLIC INFORMATION**

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During the course of the Firm's business activities, analytical staff and other Associated Persons may attend meetings and discussions with issuers, arrangers, clients or potential clients to discuss analytical components of products or methodologies, or be exposed to documents (financial and otherwise) that are not generally in the public domain. Thus, there is a possibility that the Firm and/or its Associated Persons may be exposed to confidential information and/or MNPI (collectively "Confidential Information"). Confidential Information may be obtained in various ways, including verbally, through physical documentation, and in electronic form. Pursuant to Rule 17g-4 and section 15(E) of the Exchange Act, the Firm is required to have policies tailored to the nature of its business which are reasonably designed to address the handling of Confidential Information by the NRSRO and/or its Associated Persons and prevent the:

- The inappropriate dissemination within and outside the NRSRO of material nonpublic information obtained in connection with the performance of credit rating services;
- A person within the NRSRO from purchasing, selling, or otherwise benefiting from any transaction in securities or money market instruments when the person is aware of material nonpublic information obtained in connection with the performance of credit rating services that affects the securities or money market instruments; and
- The inappropriate dissemination within and outside the NRSRO of a pending credit rating action before issuing the credit rating on the Internet or through another readily accessible means.

Specifically, section 15(E)(g)(1) of the Exchange Act states: "Each nationally recognized statistical rating organization shall establish, maintain, and enforce written policies and procedures reasonably designed, taking into consideration the nature of the business of such nationally recognized statistical rating organization, to prevent the misuse in violation of this title, or the rules or regulations hereunder, of material, nonpublic information by such nationally recognized statistical rating organization or any person associated with such nationally recognized statistical rating organization."

Confidential Information will be sequestered and not shared with members of the Firm who are not required to know. The Firm's Employees are prohibited from using, propagating, tipping, or in any other way passing Confidential Information on to any other persons other than the Firm's Compliance or Legal departments. The Firm's DCO

will, on an at least annual basis, review the Firm's operations to identify potential exposure to Confidential Information and to review policies to address identified and emerging conflicts. At no time will the Firm or any member of the Firm discuss or disclose such information or perform any personal securities transactions related to Confidential Information until the MNPI is in the public domain (see the Firm's Code of Conduct).

In the event that an employee misuses or passes on Confidential Information, the DCO will investigate the matter fully, assess the cause and seriousness of such infraction, determine an appropriate response and document all findings and responses.

At least annually, the firm will conduct a compliance meeting / training session during which issues, procedures and policies related to the possession and use of Confidential Information will be discussed.