
**STANDARD & POOR'S EQUITY RESEARCH
SERVICES
RESEARCH OBJECTIVITY POLICY
JANUARY 1, 2009**

CONTENTS

Clause	Page
1. Introduction.....	1
2. Standard & Poor's Research Objectivity Policy.....	2
3. Research Process.....	5
4. Identification Of Conflicts	10
5. Timeliness Of Research Reports And Recommendations	19
6. Compliance And Enforcement.....	19
7. Disclosure Of Conflicts Of Interest	20
8. Equity Ranking System.....	22

Standard & Poor's Equity Research Services

Research Objectivity Policy

1. INTRODUCTION

Standard & Poor's is a global leader and provider of financial information, including the provision of independent equity research to the global markets. In connection with its equity research operations, Standard & Poor's expects its employees to adhere to the highest ethical standards in performing their duties, including avoiding conflicts of interest or the appearance thereof. Standard & Poor's longstanding goal has been to conduct its operations in a manner that ensures its employees act in accordance with all relevant laws and regulations.

Standard & Poor's Equity Research Reports are produced by Standard & Poor's Equity Research Services (hereinafter referred to as "Standard & Poor's ERS" or the "Firm"). The individual offices that comprise the Firm's global research operations as of January 1, 2009 include: Standard & Poor's (US); Standard & Poor's LLC (United Kingdom, Hong Kong, Singapore & Tokyo) and Standard & Poor's Malaysia Sdn Bhd. Standard & Poor's reputation and goodwill are of paramount importance, and in part reflect the strength of Standard & Poor's franchise. This reputation and goodwill carry the need to provide opinions that are formed according to the highest professional standards, that are fair and accurate, and that are not affected by conflicts of interest. To further this goal, the Firm has adopted this Research Objectivity Policy (the "Policy"), in accordance with the standards and guidelines set forth in the CFA Institute Research Objectivity Standards (hereinafter referred to as the "CFA Institute ROS") and Chapter 12 of the UK Financial Services Authority's Conduct of Business Sourcebook (hereinafter referred to as "Chapter 12 of the FSA-COB"). The terms of this Policy are applicable to all of the Firm's Covered Employees.

The Firm is committed to assuring that its activities are conducted properly. It is the policy of Standard & Poor's ERS to comply with all relevant laws and regulations relating to the conduct of its business as a provider of independent equity research. In this regard, and in addition to this Policy, The McGraw-Hill Companies, Inc. and Standard & Poor's have also implemented separate compliance and operating policies and procedures designed to assist it in identifying possible conflicts of interest, or the appearance thereof, that might raise questions about the impartiality of the Firm's research. In the event of a conflict between any law, regulation or policy, Covered Employees shall comply with the more strict law, regulation or policy.

The Firm, in consultation with Compliance, will review the Policy annually, including its implementation and compliance globally.

The procedures contained in this Policy are applicable to all of the Firm's affiliated companies that produce and distribute equity research.

This Policy, which is designed to conform to The CFA Institute ROS and Chapter 12 of the FSA-COB, will be applied to our equity research business on a global basis. A copy of this Policy is available from us on request and is also made available on our public website by clicking here. The Firm reserves the right to amend or supplement this Policy at any time, without prior written notice.

By making a copy of this Policy available to the public, Standard & Poor's does not assume any responsibility or liability to any third party arising out of or relating to this Policy. This Policy shall not form a part of any contract with any third party and no third party shall have any right (contractual or otherwise) to enforce any of this Policy's provisions, either directly or indirectly. The Firm in its sole discretion may revise this Policy to reflect changes in market, legal and regulatory circumstances and changes to its controls, policies and procedures.

2. STANDARD & POOR'S RESEARCH OBJECTIVITY POLICY

Definitions

Compliance: The department within Standard & Poor's (i) responsible for implementing and enforcing the Firm's policies and procedures; and (ii) ascertaining that the Firm and its employees are in compliance with applicable laws, rules and regulations.

Covered Company: a covered company is a company that Standard & Poor's ERS provides research coverage and for which an Equity Analyst is assigned to cover as the primary research analyst. A covered company is also a company for which Research Management provides supervisory oversight.

Covered Employee: A covered employee is a Firm employee who is (i) an Equity Analyst; (ii) the Global Head; (iii) Region Head; (iv) Sector Head; (v) Supervisory Analyst; (vi) Equity Research Personnel; (vii) editor; or (viii) a Firm employee who may benefit, personally or professionally, from influencing Research Reports or recommendations.

Equity Analyst: An equity analyst is an employee of the Firm who is primarily responsible for, contributes to, or is connected with, the preparation of the substance of a Research Report or the basis for a recommendation, whether or not any such person has the title of "research analyst".

Equity Research Personnel: Equity research personnel are all Firm personnel who directly support or are involved in the production of equity research for Standard & Poor's ERS (including any person who comes into contact with Equity Analysts' recommendations or

discussions before they are made available in the public domain), other than an Equity Analyst, Global Head, Region Head, Sector Head, supervisory analyst, journalist or editor.

Family: Family as used in this Policy includes the spouse, minor children, and other adults living in the same household with whom the Covered Employee shares a beneficial interest. The term “Family” shall also include individuals who are cohabitating partners and includes cohabitating partners who are registered with the appropriate regulatory body and or the state, and also unregistered cohabitating partners.

Firm: The Firm, otherwise known as Standard & Poor’s Equity Research Services is comprised of the following entities and their respective employees who produce Standard & Poor’s Equity Research Reports and other related research materials: Standard & Poor’s Investment Advisory Services LLC; Standard & Poor’s LLC’s branch offices in London, Hong Kong, Singapore and Tokyo; The McGraw-Hill Companies, Ltd. UK (Copenhagen) and Standard & Poor’s Sdn Bhd (Malaysia).

Global Head of Research: Global Head of Research is the person designated by the Firm’s Research Management to oversee Standard & Poor’s ERS operations globally.

Investment Banking: Investment banking activities include, corporate finance activities, such as acting as an underwriter in an offering for a Subject Company, acting as a financial adviser in a merger or acquisition, providing venture capital, lines of credit or other similar products, making a market in a security, or serving as a placement agent for Issuers.

Public Appearance: A public appearance includes, participation in a seminar; open forum (including an interactive electronic forum); radio, television or other media interview; or other public speaking activity in which an Equity Analyst makes a buy/hold/sell recommendation or offers an opinion or comments with respect to one or more identifiable stocks or investments, e.g., via Market Scope on a Covered Company.

Region Head: For the purposes of this Policy, a Region Head is the representative of the Firm who is in charge of Standard & Poor’s ERS operations in a particular country or geographic region.

Research Management: Research Management comprises the Global Head of Research, Region Heads and Sector Heads. Research Management is responsible for supervising Equity Analysts.

Research Report: A Research Report is a written or electronic communication that the Firm sells or distributes to clients or the general public, which presents information about an Issuer and may express an opinion or make a recommendation about the investment potential of the Issuer’s equity securities, fixed income securities, real estate investment

trust schemes, or derivatives of such securities. Pre-deal or pre-IPO reports and paid for valuation reports are also considered Research Reports.

Sector Head: A Sector Head is a senior analyst who has supervision and oversight of certain or particular industries and who also supervises the work of other Equity Analysts coverage of Covered Companies.

Subject Company or Issuer: A subject company or issuer means a corporate issuer whose securities are the subject of a Research Report (including a pre-deal or pre-IPO report) or recommendation.

Supervisory Analyst: A supervisory analyst is a designated person responsible for reviewing and approving Research Reports, prior to publication, to assess and maintain the quality and integrity of Research Reports.

Statement of Policy

As of January 2009, Standard & Poor's ERS provides independent equity research coverage on approximately 2,200 companies on a global basis. Standard & Poor's is committed to maintaining the high ethical standards necessary to maintain and further Standard & Poor's worldwide reputation for integrity and objectivity. This Policy seeks to ensure that all Covered Employees adhere to the highest professional standards.

Research Personnel

As of January 2009, Standard & Poor's ERS has approximately 100 Equity Analysts globally. Standard & Poor's ERS operates independently of and separately from all other businesses of S&P. All of the Firm's Covered Employees, who are subject to this Policy, are also subject to The McGraw-Hill Companies, Inc. Code of Business Ethics, and other relevant policies and procedures.

Supervision of Equity Analysts and Reporting Lines

All Covered Employees report to and are supervised by the Firm's Research Management, and are not directly supervised or controlled by personnel from other areas of Standard & Poor's (i.e., non-ERS personnel or other internal Standard & Poor's business units). In addition, the appraisal of Equity Analysts for purposes of evaluation, career advancement, remuneration and promotion is structured so that Standard & Poor's non-ERS' personnel do not exert inappropriate influence over Equity Analysts. All of the Firm's Research Management personnel are required to use reasonable efforts to detect and prevent violations of relevant laws, regulations and policies by any Covered Employee under their supervision.

Evaluation and Remuneration

All Equity Analysts are evaluated at least annually. Evaluations also take into account an analyst's compliance with Firm policies and procedures, including this Policy, as well as attendance at Firm training sessions. Equity Analyst remuneration is discussed in more detail at Section 4.C "Identification of Conflicts—Equity Analyst Compensation".

Annual Notice of Attestation

The Firm will publish annually a notice of its implementation of, and adherence to the Policy on its public website.

3. RESEARCH PROCESS

(A) Introduction

Standard & Poor's ERS approaches equity research with a fundamental based methodology coupled with analytical collaboration. Our methodology is based on disciplined fundamental analysis conducted by trained, experienced analysts, with an overlay of top-down economic and sector analysis. Set forth below is a summary of some of the factors Standard & Poor's reviews when evaluating a covered company for inclusion in its STARS research ranking.

Standard & Poor's Equity Analysts perform fundamental research that includes the close examination of relevant economic, political, and regulatory trends, as well as relevant industry and company-specific issues that may influence a company's ability to generate revenue and profits. From a company-specific standpoint, S&P Equity Analysts are trained and expected to perform fundamental security analysis on the common stocks of the companies that the Equity Analysts cover. This process includes the examination of data and statistics that are relevant to the company and security being examined, as well as an understanding and interpretation of numerous intangible elements, such as the quality and depth of management, corporate governance practices, new product potential, and the competitive landscape.

Standard & Poor's ERS uses a "bottom-up" approach in analyzing a company for inclusion in its STARS ranking (a detailed discussion of Standard & Poor's STARS ranking system is discussed in Section 8 at "Equity Ranking System"). Our bottom-up approach consists principally of three fundamental valuation techniques:

- Intrinsic Value Analysis – Assessing a security's appropriate value based principally on discounted "free" cash flow ("DCF") analysis. Estimates of future cash flows are discounted back to current dollars or local currency equivalent, incorporating such variables as risk assessment and a company's capital structure.

- Relative Valuation – Assessing a security's relative value by comparing appropriate financial ratios across peer groups.
- Sum-of-The-Parts – Assessing an appropriate value of a stock by calculating the private market values for a company's identifiable, separate units.

Standard & Poor's Equity Analysts have access to a Chartered Market Technician (“CMT”), who is trained to identify price patterns of individual securities, as well as industry, sector, and market indices. This information and analysis assists an Equity Analyst to understand how the market is interpreting the financial results of individual companies and various markets. The CMT provides the Equity Analyst with his/her interpretations of historical price patterns in an attempt to predict future action.

(B) Standard & Poor's Methodology

1. Benchmark

The Standard & Poor's 500 Index is the principal benchmark used for coverage in North America. Various market index benchmarks are used outside of the U.S., including the Standard & Poor's Europe 350 and Standard & Poor's Asia 50 in the Asia region.

2. Target Price

Standard & Poor's ERS uses a twelve-month (12) target price to convey to investors the price level at which a stock can reasonably expect to reach, in a twelve - month period, in the opinion of the S&P Equity Analyst, on the basis of a fundamental analysis of all relevant facts and reasonable macro- and micro-forecasts. A twelve-month (12) target price takes into consideration the prospective risk (e.g. beta) of each stock as well as the analysts qualitative risk assessment. For example, a higher-beta stock will often have a higher percentage gain target price than a lower-beta stock. Twelve month target prices are reviewed on an ongoing basis by our Equity Analysts and Sector Heads to ensure that they are re-evaluated following significant movements in the stock's market price and/or significant corporate events that may change the company's fundamental outlook.

3. Quantitative Analysis

Standard & Poor's ERS has three principal quantitative ranking systems, each with different objectives: (i) the Standard & Poor's Quality Ranking (also known as “Earnings and Dividend Ranking System”); (ii) the Fair Value Rank; and (iii) the "Investability Quotient" (IQ).

- The Quality Ranking System measures the relative growth and stability of a given company’s earnings and dividends.

- The Fair Value Rank provides an estimate of a stock's fair value based on a combination of quantitative measures, and is influenced heavily by book value multiples and return on equity.
- The "Investability Quotient" is a multivariate model assessing the relative "investability" of a given security. Inputs to the model include proprietary S&P qualitative and quantitative rankings and historical financial ratios.

Used as an evaluation of past performance, our Quality Ranking System is a useful measure of a company's underlying strength. Introduced in 1956, this rank reflects Standard & Poor's ERS' appraisals of growth and stability of earnings and dividends over the past 10 years for individual companies. As of January 2009, Standard & Poor's currently provides Quality Rankings on approximately 3,500 U.S. companies and more than 10,250 international companies. On a risk-adjusted basis, Standard & Poor's is of the opinion that the stocks that turned in the best performances over the years, on average, are those ranked A+, A, and A-, the highest Quality Rankings.

4. Financial Statement Analysis

Financial statement analysis is central to Standard & Poor's ERS in evaluating a covered company's financial condition, and is incorporated into Standard & Poor's discounted cash flow models developed for each covered company. Equity Analysts are trained to identify key trends in financial rates that may construe consistent financial health, and also future prospects.

5. Balance Sheet Strength

Balance sheet strength is also a key element in our Equity Analysts' qualitative assessment of a covered company. We are of the opinion that securities analysis is not complete without careful consideration of a company's balance sheet. Our Equity Analysts are trained to analyze a company's assets, liabilities and shareholder equity to determine if it has the sufficient resources to generate income and cash flow, and has sufficient liquidity to ensure continuity as a going concern.

6. Cash flow strength

Our Equity Analysts' assessment of cash flow statements is an integral element to their holistic evaluation of a company's financial strength.

We believe that an understanding of how a company generates cash flows is one of the most important determinants of a company's financial health and its ability to grow. In analyzing a company's statement of cash flows, our Equity Analysts seek to identify trends that will enable them to understand how a company is generating cash flow, how it is

investing it, and how it is funding the enterprise. Additionally, our Equity Analysts seek to forecast the level of annual "free" cash flows (defined generally as net income plus depreciation/amortization expenses minus capital expenditures, dividends, and sale of plant, property and equipment) that the company can generate. Standard & Poor's ERS' Equity Analysts also use this derived calculation to determine an intrinsic value of a security by then discounting the future levels of free cash flow into perpetuity back at a rate that is reflective of the company's determined weighted average cost of capital.

7. Historical analysis of key financial ratios

A substantial history of income statement, balance sheet and cash flow data (up to 10 years, if available) is incorporated into our Equity Analysts' assessment of a company. Qualitative analysis, commentary and projections on key financial ratios are often included in Research Reports produced by Standard & Poor's ERS.

8. Earnings quality analysis

In 2002, Standard & Poor's ERS created the Standard & Poor's Core Earnings ("Core Earnings") concept, a methodology that assesses the after-tax earnings generated from a corporation's principal business or businesses. Included in the definition of Core Earnings are employee stock options grant expenses, restructuring charges from ongoing operations, write-downs of depreciable or amortizable operating assets, pensions costs and purchased research and development. Excluded from this definition are impairment of goodwill charges, gains or losses from asset sales, pension gains, unrealized gains or losses from hedging activities, merger and acquisition related fees and litigation settlements. Standard & Poor's Core Earnings may not be available on all Standard & Poor's covered companies, and are often not available on non-U.S. companies.

9. Corporate governance review

Standard & Poor's Equity Analysts review proxy statements (if available), and other corporate filings in an effort to gauge a company's corporate governance practices, and to convey their assessment of such in their analysis of risk.

10. Stock options as an expense

As part of the Standard & Poor's Core Earnings analysis, Standard & Poor's ERS' Equity Analysts are required to include stock options as an expense in assessing a company's financial situation if the data is available.

11. Qualitative commentary on management credibility

Management quality is a key element of an Equity Analyst's overview. Our Equity Analysts are trained to review and incorporate in their analysis qualitative assessments of a

company's management skills, depth and record of adherence to all relevant regulations. In making overall assessments of management credibility, Standard & Poor's Equity Analysts are also responsible for evaluating the level of financial statement transparency, the consistency of earnings growth, and a company's overall record of corporate governance. Standard & Poor's currently provides investors and analysts with tools to make such assessments, both qualitatively in the body of the Research Report, and quantitatively through the Standard & Poor's Quality Rankings.

12. Process for coverage selection

The principal criteria for coverage selection include companies that comprise leading market indices, market capitalization, trading activity and general investor interest.

In certain circumstances, coverage may also be initiated as a result of a contractual relationship with an Issuer or unaffiliated financial intermediary under whom Standard & Poor's agrees to provide Research Reports for use by the Issuer or the unaffiliated financial intermediary and for distribution to the unaffiliated financial intermediary's clients. Standard & Poor's reserves the right in its discretion to decline coverage of a particular company.

Since Standard & Poor's ERS employs a team approach to analyzing companies, we normally continue to maintain coverage on a company if an Equity Analyst leaves the Firm. In those instances, coverage is generally reassigned to other Equity Analysts on staff, or covered by the Sector Head, for continuity until a new Equity Analyst is assigned. Coverage may also be suspended or terminated if analytic resources are not available. For more information on the suspension or termination of research coverage of a particular company, see "Timeliness of Research Reports and Recommendations at Section 5.

13. Reasonable and adequate basis

Standard & Poor's Equity Analysts undergo training and exercise independence in their analysis. Equity Analysts' work is monitored regularly by Sector Heads, Supervisory Analysts and editors. Supervisory Analysts are responsible for reviewing and approving Research Reports prior to publication, and are responsible for identifying research and analysis that is inconsistent with Standard & Poor's ERS' analytical methodology, editorial style and language standards. All analysis is required to be substantiated by relevant data or statistics, and investment rationales must contain logical integrity, realistic assumptions and an assessment of risks. All recommendations must have a reasonable and adequate basis, and must be based on the data, statistics, securities' market prices, and projections provided in the analysis. Equity Analysts are expected to retain records of all relevant materials that were used to support a recommendation for relevant required time periods.

All Equity Analysts' analysis and recommendations must have a reasonable basis, and in support of this, all Equity Analysts have access to industry data, statistics and other supporting materials upon which to base their analysis and recommendations. In addition, internal specialists in related areas such as economics, statistics, markets and technical evaluations are available to assist Equity Analysts.

14. Performance information

When presenting the historical performance of its STARS recommendations, Standard & Poor's ERS uses reasonable efforts to ensure that any performance information is presented in a fair, accurate and complete manner.

4. **IDENTIFICATION OF CONFLICTS**

We have adopted internal policies and procedures that are designed to assist us in identifying possible conflicts of interest, or the appearance thereof, that might raise questions about the impartiality of our equity research; these include the use of firewalls and other information barriers where appropriate. Set forth below is a summary of some of the policies and procedures that Standard & Poor's ERS has implemented to manage possible conflicts of interest or the appearance thereof.

(A) Investment Banking Activities

Our policy is that neither Standard & Poor's ERS nor any affiliate is permitted to engage in Investment Banking activities, as defined in the CFA Institute ROS, or business activities designed to solicit Investment Banking activities (such as sales pitches and road shows, etc.).

(B) Public Appearances

We encourage our Equity Analysts to participate in Public Appearances. A Public Appearance includes participation in a seminar, forum (including an interactive electronic forum), media interviews (radio, television, print or other media interviews), Internet interviews, message boards, blogs, web casts or other public speaking activities. Equity Analysts and Research Management may only comment (including oral and written comments) on a Covered Company during their participation in a Public Appearance. Where practicable, we will make copies of certain Research Reports and other materials available to attendees at certain public forums and/or widely attended conferences that are open to the public.

An Equity Analyst has access to the Firm's databases, intellectual property, management representatives of a Subject Company and other types of proprietary information that results from your employment with Standard & Poor's ERS. This information, including

your views on a Covered Company, is the property of Standard & Poor's, and is to be used only in the furtherance of the Firm's business. Participation in a seminar, meeting, forum (including an interactive forum), Internet chat room, message board or posting to a blog, is considered to be a Public Appearance if the subject matter of the discussion involves the Equity Analyst's views, opinions or work product derived from his/her employment at Standard & Poor's ERS. An Equity Analyst's participation in any of the above activities is considered to be a Public Appearance, even if the Equity Analyst fails to identify him/herself as a Standard & Poor's Equity Analyst and regardless of where the Equity Analyst participates from (i.e., participation from the Firm's premises through the firm's equipment (including computers, PDA's, telephones, etc.) or from a remote location, including a personal computer or telephone located in the Equity Analyst's home). Equity Analysts must refrain from discussing their views about covered Company in any public forum unless specifically approved by a Supervisory Analyst as described below. For purposes of the ROP, the term "Public Appearance" may be construed more broadly than it would be for purposes of SEC's Regulation AC, other SRO rules or other regulatory provisions. Research Management is also subject to the above procedures and restrictions when they participate in a Public Appearance.

Standard & Poor's ERS has had a long-standing relationship with the media, and this relationship is built on a commitment to deliver a high quality of information to the public. In furtherance of this policy, we have adopted the following policies and procedures to guide our Equity Analysts when they participate in Public Appearances, including seminars, public speaking activities or media interviews:

- We require Equity Analysts to obtain Supervisory Analyst (or non-US equivalent) approval prior to agreeing to participate in Public Appearances, including media interviews.
- Panel discussions must be pre-approved by the local Director of Research.
- We require certain disclosures to be made by Equity Analysts during the course of any Public Appearance, including media interviews, wherever conducted and wherever broadcast. Equity Analysts are required to disclose personal and Firm conflicts of interest to the host or interviewer and, whenever possible, to the audience during a Public Appearance. These disclosures include the following, if applicable:
 - All Equity Analysts must identify themselves as representatives of Standard & Poor's ERS; if asked, then provide the following:
 - Whether the Equity Analyst or a Family member has a financial interest (e.g., stock ownership) in the securities of the Subject Company;

- Whether Firm management, the Equity Analyst or a Family member is an officer, director or advisory board member of the Subject Company; and
- Whether the Equity Analyst knows or has reason to know of any other actual, material conflict of interest at the time of the Public Appearance (including, whether the Equity Analyst has participated, or is participating in marketing activities for the Subject Company).

Copies of Research Reports with complete and current disclosures and disclaimers are generally made available to members of the audience who attend conferences that are generally open to the public, for a nominal fee. Standard & Poor's Equity Analysts also inform attendees how to obtain copies of Standard & Poor's ERS' written Research Reports (which include complete and current disclosures and disclaimers). To see a sample, please [click here](#):

(C) Equity Analyst Compensation

Standard & Poor's Equity Analysts are not directly or indirectly supervised or controlled by personnel from other areas of the Firm whose interests or functions may conflict with those of the Equity Analysts. The evaluation and appraisal of Equity Analysts for purposes of career advancement is structured so that non-research personnel do not exert inappropriate influence over the Firm's Equity Analysts.

Standard & Poor's Research Compensation Committee (the "Committee") is responsible for determining the compensation levels of all Standard & Poor's Equity Analysts. The Committee is comprised of the Global Head of Equity Research and the Region Heads, located in the United States, United Kingdom and Singapore. Other individuals within Standard & Poor's ERS may be included on the Committee as well.

Each Equity Analyst's performance is determined on the basis of a number of factors including, among other things, (i) the overall quality of the published research; (ii) the Equity Analyst's production; (iii) accuracy and performance of stock recommendations; (iv) evaluations by clients; (v) managerial effectiveness; and (vi) adherence to internal compliance policies and procedures. Equity Analysts' compensation is not linked to any one particular factor, including the profitability of any one single department or division within Standard & Poor's ERS.

Standard & Poor's equity analysts are prohibited from accepting any financial incentives (e.g., referral fees, finders' fees, or commissions) in exchange for referring a client to any area of Standard & Poor's or to an unaffiliated firm.

(D) Relationships With Subject Companies and Other Third Parties

Standard & Poor's ERS has adopted internal operating policies and procedures that govern its Equity Analysts' communications and interactions with subject companies and other third parties.

1. Review of Draft Research Reports by Subject Companies and Third Parties for Factual Verification

Standard & Poor's ERS, as an independent research provider, maintains full analytical and editorial control over the contents of its Research Reports. In furtherance of this policy, draft Research Reports should not be forwarded to anyone outside of Standard & Poor's ERS, including the Subject Company or any third party, for pre-publication review. Exceptions to this policy may be made, subject to the following restrictions and guidelines. In certain instances, sections of draft Research Reports may be forwarded to the Subject Company and a third party, but only for pre-publication factual review. Certain sections of draft Research Reports, such as sections containing the proposed recommendation, ranking, valuation range, financial models, earnings estimate or target price must never be submitted to a Subject Company or any other third party for pre-publication review.

Requests to submit sections of a draft Research Report to a Subject Company or any other third party for pre-publication factual review may be made only on a case-by-case basis, and must be approved by the Global Head, Region Head or Sector Head.

If such a request is granted, then a complete copy of the draft Research Report must be sent to Compliance at the same time as certain portions of the same report are forwarded to the Subject Company or third party for pre-publication factual review. The draft Research Report that is forwarded to the Subject Company and any other third party must not include the Equity Analyst's proposed recommendation, ranking, target price or earnings estimate, and in the case of a pre-deal report, the valuation range and financial models.

All comments received from the Subject Company or any other third party must be forwarded to Compliance, which will then forward all factual comments to the Equity Analyst. Compliance will forward all non-factual comments to the appropriate Region Head or Sector Head (or designee). The Region Head (or designee) or Sector Head, in consultation with another senior member of the research staff, will determine which changes or corrections should be accepted.

Any post review changes proposed by the Equity Analyst to the ranking or target price or the report as a consequence of the Subject Company or other third party review, must be justified in writing by the Equity Analyst and approved by the Region Head (or designee), Sector Head or Global Head of Standard & Poor's ERS and Compliance prior to issuing the

report. Standard & Poor's ERS will not publish a Research Report until such time as such determination is made.

2. Research Reports That Have Been Prepared at the Request of Subject Company or an Unaffiliated Financial Intermediary

From time to time Standard & Poor's ERS' may be asked by a Subject Company or an unaffiliated financial intermediary to prepare equity Research Reports on the Subject Company for the Subject Company's use or for the use of the unaffiliated financial intermediary or for distribution to its clients, in return for a fee. Such undertaking may also involve Standard & Poor's ERS preparing STARS research that contains a recommendation, valuation or pre-deal research, otherwise known as pre-IPO research.

In the case of pre-IPO research, Standard & Poor's non-U.S. based Equity Analysts may be asked to prepare a Research Report on a company that is being represented by the financial intermediary in a corporate or Investment Banking transaction. Pre-IPO research may be provided only if the company is not: (1) a U.S. based company, or (2) a company whose principal trading market is on a U.S. stock exchange.

Standard & Poor's ERS has adopted specific procedures governing the preparation of research reports in circumstances where Equity Analysts prepare Research Reports at the request of an Issuer or a financial intermediary. Draft Research Reports may only be submitted to the financial intermediary and/or Issuer/Subject Company prior to publication for purposes of factual verification. Portions of draft Research Reports may be shared in these instances only with the prior approval of the Region Head (or designee), Sector Head or Global Head of Equity Research, and only for the purpose of verifying the factual accuracy of the report and the report's consistency with the prospectus or offering circular. If approval is granted, then a complete copy of the draft Research Report must be sent to Compliance at the same time certain portions of the same report are forwarded to the Subject Company and/or the financial intermediary for review. The draft Research Report that is forwarded to the Subject Company and/or financial intermediary for review, must not include the Equity Analyst's proposed recommendation, ranking, target price, forecast, earnings estimate, outlook or any other material unpublished information, and in the case of a pre-IPO report, the valuation range and financial models.

All comments received from the Subject Company and/or financial intermediary must be forwarded to Compliance, who will forward all factual comments to the Equity Analyst. Compliance will then forward all non-factual comments to the appropriate Region Head or Sector Head. The Region Head or Sector Head, in consultation with another senior member of the research staff, will determine which changes or corrections should be accepted.

Any post review changes proposed by the Equity Analyst to the ranking, target price, outlook, forecast, valuation range or financial models or the report as a consequence of the Subject Company or financial intermediary review, must be justified in writing by the Equity Analyst and approved by the Region Head (or designee), Sector Head or Global Head of Equity Research, and Compliance prior to issuing the report. Standard & Poor's ERS will not publish a Research Report until such time as such determination is made.

3. Standard & Poor's ERS' Equity Analysts' Activities

(A) Communications With the Public

Standard & Poor's ERS' Equity Analysts are generally permitted to speak to the public and give their views on individual companies that they cover, sectors or other relevant markets news, provided they do not disclose the timing or content of forthcoming Research Reports, unpublished research or provide other material non-public information in the course of their conversations, subject to the provisions as described in Section 4 (B) "Public Appearances" Examples of non-public material information might include: (1) changes to an Equity Analyst's view or opinion about a security or company or any other material non-public information that has not been previously published in research and disseminated to clients; (2) a material reiteration of a view or opinion; (3) coverage information (initiations or terminations); (4) dissemination of certain financial estimates or other information that has not been previously disseminated by a Subject Company to the public; and (4) any other potentially market-moving comment regarding the stocks an Equity Analyst covers

Policies are in place to ensure that our Equity Analysts do not state or intimate to anyone that any opinion or comment may be embodied in a forthcoming publication or other release (including selective disclosure by an equity analyst to a client). No Equity Analyst shall give any person a preference in obtaining information that is not available to the public in general.

The following restrictions are designed to reinforce our Equity Analysts' independence.

(B) Communications With Subject Companies

In order to undertake quality research and develop a reasonable and adequate basis for recommendations, we generally encourage our Equity Analysts to maintain an appropriate working relationship with the companies they cover. Equity Analysts rely primarily on publicly available company financial reports and other documents as the basis for their analysis and recommendations, and need the ability to communicate with the Subject Company's management, participate in conference calls and other investor relation activities.

However, in communicating with a Subject Company, we have adopted policies that prohibit our Equity Analysts from promising a Subject Company, either directly or indirectly, a favorable report on the Subject Company. These same policies likewise prohibit Equity Analysts from directly or indirectly threatening to change a report, recommendation or target price, or promising a Subject Company or other Issuer a favorable report or a specific target price. Conversely, Equity Analysts are required to notify a member of Firm Research Management if they believe a Subject Company or third party is attempting to influence or pressure them to alter an unfavourable view on a company or to write a favourable report. Equity Analysts who violate this policy may be subject to disciplinary action, which may include termination of employment.

We have also adopted guidelines when equity analysts can share certain financial information (i.e., financial estimates and consensus information) with third parties. Equity analysts must limit their comments on a Covered Company to the contents (which may include certain financial estimates on that Company) to information that has been included in previously published research that has been fairly disseminated to all clients.

(C) Prohibition on Selective Disclosure

Equity analysts are prohibited from commenting on non-public market moving news and/or price sensitive information selectively to clients or the public. Standard & Poor's general policy is to disseminate any material information about a Subject Company to all clients at the same time, and in a fair and equitable manner. Equity analysts need to be careful when responding to questions from clients, especially if the equity analyst knows that new research is pending on a Subject Company. Equity analysts are permitted to speak to clients after new information has been published in written research and fairly disseminated to all clients.

(D) Prohibition on Soliciting Investment Banking Business

No Standard & Poor's ERS' Equity Analyst may participate in any solicitation of Investment Banking services, including participating in sales pitches or otherwise participating in activities that could reasonably be considered a solicitation of Investment Banking business for an affiliate or an unaffiliated entity. Similarly, Standard & Poor's Equity Analysts are not permitted to act in any way that reasonably appears to be representing a Subject Company or representing a financial intermediary advising the Subject Company in a corporate or Investment Banking transaction. Equity Analysts are not permitted to be involved in promotional or marketing activities of a Subject Company that would reasonably be construed as representing the Subject Company or the financial intermediary advising the Subject Company.

(E) Prohibition on Participation in Road Shows

No Standard & Poor's Equity Analyst may participate in or attend a road show or other client-marketing/ or sales event (including conference calls) related to an Investment Banking transaction. Similarly, equity analysts may not participate in the promotion of a Subject Company's stock to investors. The prohibition covers marketing and/or sales activities relating to pre-deal marketing activities, secondary offerings and listed companies.

(F) Prohibitions on "Three-Way" Meetings for U.S. Equity Analysts; Restrictions for Non-U.S. Equity Analysts

U.S. Equity Analysts are prohibited from engaging in "three-way" meetings, or meetings attended by a research analyst, investment banker, and Subject Company. In certain instances, non-U.S. Equity Analysts may engage in three-way meetings, subject to specific restrictions.

As a described above, Standard & Poor's ERS' non-U.S. offices may be asked by an unaffiliated financial intermediary or a Subject Company to prepare a pre-IPO report on a non-U.S. company or Issuer. While U.S. Equity Analysts are generally not permitted to attend joint meetings between a Subject Company and the company's investment bankers, these "three-way" meetings are permitted, under limited circumstances, outside of the U.S. and then only in accordance with the local jurisdiction's regulations and market practices. Specifically, Standard & Poor's ERS' non-U.S. Equity Analysts may attend these "three-way" meetings in connection with a pre-IPO report that Standard & Poor's ERS has been asked to prepare. Non-U.S. Equity Analysts may only attend these three-way meetings for the purpose of fact-finding or due diligence and only with the prior approval of Firm Research Management. These "three-way meetings" must be conducted in the presence of a "chaperone" from Compliance or a person designated by Compliance in order to ensure that analysts are not subject to inappropriate influences during the meeting. During such meetings, no discussion of the Equity Analyst's proposed recommendation, target price, earnings estimates, outlook, forecast and/or financial models can take place.

(G) Accepting Gifts and Incentives From Subject Companies

Standard & Poor's ERS' Covered Employees may not solicit, accept, or receive, directly or indirectly, any gift in excess of \$100 (or a local currency equivalent) or compensation from any Subject Company, per year. We also believe that any offer by a Subject Company to reimburse an Equity Analyst for expenses incurred for visiting a company may be perceived as a benefit or an inducement to Standard & Poor's to initiate or continue equity coverage on a particular company or to provide favourable coverage. Such reimbursements may not be accepted by any Equity Analyst, and are prohibited. Equity Analysts, subject to Group Head, Sector Head or Region Head approval, may from time to time, accept reasonable and customary travel or lodging accommodations from a Subject Company.

(H) Equity Analyst Personal Investments, Trading and Sharing of Information

1. Personal Investments and Trading

Standard & Poor's neither encourages nor discourages its Equity Analysts from investing in stocks, bonds or other investments. However, if they choose to do so, they must abide by certain policies and procedures that, place restrictions on not only their personal securities trading, but also on certain Family members personal securities trading.

Equity Analysts (including certain Family members and accounts over which the analyst has a beneficial interest or discretion) are prohibited from trading in securities or related derivatives of any Issuer, which are in the Equity Analyst's covered industry.

Members of the Standard & Poor's ERS' Research Management team are prohibited from trading in any securities that are in sectors covered by any Equity Analyst that reports to the Research Management team member.

Where personal account trading is permitted, Equity Analysts (including Family members) are required to comply with the Firm's rules and procedures on personal account dealing, including pre-clearing their trades with Compliance or another designee. Equity Analysts (including certain Family members) are prohibited from purchasing or receiving an Issuer's securities prior to its initial public offering (e.g. so called pre-IPO shares) if the Issuer is principally engaged in the same type of business as companies (or in the same industry classification) that the Equity Analyst usually covers.

2. Prohibition on Trading on Material Non-Public Information

Equity Analysts are prohibited from trading or recommending trades in the securities of companies or related derivatives (including entering into contracts for derivatives) while they are in possession of material, non-public information relating to those securities (i.e. information which if disclosed is likely to have a substantial effect on the market price of the securities in question and where there is a substantial likelihood that a reasonable investor would consider the information important in making an investment decision), or to transmit that information to others who trade or cause someone to trade in those securities. If an Equity Analyst comes into possession of material, non-public information, the analyst must immediately bring this matter to the attention of his/her direct supervisor, Sector Head or Region Head and Compliance. Except as permitted by compliance, the Equity Analyst is prohibited from participating in any purchase or sale decision regarding the relevant securities, recommending the relevant securities, issuing research regarding the relevant company or securities, and further disclosing the material non-public information. Regional Research Management and Sector Heads must bring the matter to the immediate

attention of the Global Head of Research. The Global Head of Research is responsible for informing internal legal counsel and/or Compliance before taking any further action.

5. **TIMELINESS OF RESEARCH REPORTS AND RECOMMENDATIONS**

The timing of the publication of a Research Report is determined primarily by the Equity Analyst on the basis of events affecting the Issuer and development of the analyst's opinion. In this regard, Standard & Poor's is committed to producing research that is current by updating company reports on a timely and regular basis (with an emphasis on prompt responsiveness following earnings reports), with additional updates upon an announcement of significant news or events by, or that might impact, the Subject Company. At a minimum, a Research Report or an update thereto, should be issued at least quarterly.

Equity analysts are not permitted to communicate the timing of the dissemination of upcoming research to clients or the Firm's decision to initiate coverage of a particular company.

When providing pre-IPO research to a Subject Company or to an unaffiliated financial intermediary, Standard & Poor's will observe "quiet-periods" if required by local law and/or practice.

Terminated Coverage

Upon terminating coverage of a company, Standard & Poor's ERS issues a "final" Research Report, which includes a notice that coverage, has been terminated, and provides the last recommendation.

6. **COMPLIANCE AND ENFORCEMENT**

Standard & Poor's ERS maintains a number of policies and procedures designed to assist in identifying possible conflicts of interest, or the appearance thereof, that might affect or raise questions about the impartiality of our equity research. Standard & Poor's provides training to Equity Analysts and other Firm personnel with whom Equity Analysts interact. Standard & Poor's ERS' Research Management and Compliance provide guidance to the Firm's Covered Employees as issues arise. Covered Employees are responsible for raising identified conflicts or potential conflicts with their immediate supervisors or Region Heads and Compliance to ensure that all conflict questions are referred to and considered, at the appropriate level within the Firm. Standard & Poor's ERS maintains appropriate records to support the equity analyst's analytical work.

Compliance monitors application of the Firm's policies and procedures including monitoring Equity Analysts' personal trading activities, disclosures included in written Research Reports, and disclosures provided during Public Appearances. Compliance

together with other relevant staff also provides training to the Equity Analysts on a regular basis.

Review of Research

Prior to publication, all written Research Reports are reviewed and approved by a supervisory analyst and also by a member of the dedicated equity research editorial team. The purpose of these reviews is to confirm compliance with the Firm's editorial guidelines, disclosure requirements and any regulatory requirements. The Firm's supervisory analyst is primarily responsible for ensuring that the appropriate disclosures are included in the Research Reports.

As a part of their annual performance evaluation, Equity Analysts are reviewed on their compliance with the Firm's written policies and procedures. The Firm's usual disciplinary procedures apply in case of breaches of the policies referred to herein. Failure of Equity Analysts to adhere to the requirements of our policies may result in a range of sanctions, up to and including termination of employment.

Compliance periodically reviews the Firm's compliance oversight programs and reviews of relevant policies and procedures. The Firm publishes a list of activities that it considers to be inappropriate activity by both Covered Employees and Subject Companies, which may result in disciplinary action. To see this list, [click here](#).

7. DISCLOSURE OF CONFLICTS OF INTEREST

Standard & Poor's ERS has adopted procedures that require certain disclosures to be included in written Research Reports. Such disclosures, which can be found by clicking [here](#), include certain particulars that Equity Analysts and the Firm consider to be material in the context of the relevant written Research Reports. These same procedures also require Equity Analysts to provide similar disclosures when they participate in Public Appearances, including media interviews. The latter is discussed in more detail in Section 4 "Identification of Conflicts-Public Appearances".

Standard & Poor's ERS' written Research Reports (including electronic reports) adhere to the following disclosures standards (if applicable):

- Whether the Equity Analyst or a Family member has a financial interest (e.g., stock ownership) in the securities of the Subject Company;
- Whether a member of the Firm, the Equity Analyst or a Family member is an officer, director or advisory board member of the Subject Company;
- Whether the Equity Analyst received compensation from the Subject Company during the 12 months prior to the publication of the Research Report;

- Whether the Subject Company was a client of Standard & Poor's (or its affiliates) and if Standard & Poor's (or its affiliates) received compensation during the past twelve months;
- Whether the Equity Analyst knows or has reason to know of any other actual, material conflict of interest at the time of the publication of the Research Report;
- The percentage of all securities that Standard & Poor's recommended as "buy," "hold," or "sell, current as to the most recent calendar quarter end.
- A chart that depicts the price of the Subject Company's stock over time and indicates points at which Standard & Poor's ERS assigned or changed a ranking or target price. This provision applies only to securities that have been assigned a ranking for at least one (1) year, and need not extend more than three (3) years prior to the date of the Research Report. This information must be current as of the end of the most recent calendar quarter; and
- Disclosure of the valuation method used to determine target prices and provide a description of the risks that may impede achieving those target prices.

In the case of Issuer or third party paid research, Standard & Poor's ERS adheres to the following additional disclosure standards:

- Disclosure of the range of fees paid by the Issuer or a third party to Standard & Poor's ERS.

Also, the primary Equity Analyst who is responsible for a Research Report is required to include the following statements in each written Research Report:

- A statement attesting that all of the views expressed in the Research Report accurately reflect the Equity Analyst's personal views about any and all of the subject securities and Issuers; and
- A statement attesting that no part of the Equity Analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed by the Equity Analyst in the Research Report.

Standard & Poor's also adheres to certain EU disclosure standards if applicable; such disclosures can be found by clicking [here](#).

In addition, facts must be distinguished from interpretations, estimates, opinions and other types of non-factual information. Any doubt as to reliability of sources must be indicated, and all projections, forecasts and price targets must be clearly labelled as such and the

material assumptions made in producing or using them indicated. Equity Analysts must cite sources of information used in research reports.

8. **EQUITY RANKING SYSTEM**

Standard & Poor's ERS' fundamental analysis, which as of January 1, 2009 covers approximately 1,900 securities globally, is expressed in our STARS ranking system (Stock Appreciation Ranking System). This system was first introduced in the U.S. in 1987. There are five categories to this ranking system:

5-STARS: Strong Buy – Total return is expected to outperform the total return of the appropriate benchmark by a wide margin over the next 12 months, with the shares rising in price on an absolute basis.

4-STARS: Buy – Total return is expected to outperform the total return of the appropriate benchmark over the next 12 months, with the shares rising in absolute price.

3-STARS: Hold – Total return is expected to closely approximate that of the total return of the appropriate benchmark over the next 12 months, with the shares generally rising in price on an absolute basis.

2-STARS: Sell – Total return is expected to under perform the total return of the appropriate benchmark over the next 12 months, and the share price is not anticipated to show a gain.

1-STARS: Strong Sell – Total return is expected to under perform the total return of the appropriate benchmark over the next 12 months by a wide margin, with the shares falling in price on an absolute basis.

Standard & Poor's will provide clients and prospective clients with a complete description of its ranking system, on request.