

RAM

POLICY

August 2011

Treatment of Confidential Information

RAM Holdings Berhad
(208095-U)

RAM Rating Services Berhad
(763588-T)

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TREATMENT OF CONFIDENTIAL INFORMATION

1 Introduction

- 1.1 In the course of providing rating services to the capital market, we receive from time to time, information provided by the rated issuer or its advisor/arranger/sponsor/promoter pursuant to RAM Ratings' appointment as the rating agency for the rating exercise.
- 1.2 For purposes of this policy, the term **Confidential Information** relates to such information relied upon, and/or provided by the rated issuer or its advisor/arranger/sponsor/promoter, for the purposes of arriving at a credit rating, unless such information:
- (i) is already known to RAM Ratings free of any confidentiality obligation at the time it is obtained; or
 - (ii) becomes publicly known through no wrongful act of RAM Ratings; or
 - (iii) is rightfully received by RAM Ratings from a third party; or
- 1.3 **Confidential Information** also includes:
- (i) matters arising from any internal discussions in reaching a rating decision;
 - (ii) information concerning the rating committee process, including, but not limited to the voting decisions and voting members that deliberated; and
 - (iii) information concerning the content or timing of a pending rating action prior to public dissemination.
- 1.4 This policy shall be read together with RAM Ratings' Code of Conduct and all employees shall be bound by the Code of Conduct and this policy. RAM Ratings requires all employees to comply with all the terms and conditions to ensure that all Confidential Information is appropriately handled, used and protected.

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2 Measures to safeguard Confidential Information

2.1 This policy is intended to facilitate compliance with applicable regulatory requirements and to ensure appropriate measures to safeguard such Confidential Information. Such measures include the following:

(i) Handling and Maintenance of Confidential Information

When managing property and records belonging to or in possession of RAM Ratings, employees will take all reasonable measures to ensure that such information is kept securely, and strictly adhere to the file management practices consistent with RAM Ratings' standard operating procedures to ensure security, confidentiality and integrity of records. It is expected for all employees to take the appropriate action required to prevent unauthorised access to any records that are confidential in nature such that all Confidential Information are maintained in a secure manner.

(ii) Use of Confidential Information

- a) The use of Confidential Information will only be for purposes in connection with the rating process and related rating activities. Apart from the use of Confidential Information to perform its rating assessment, RAM Ratings may use such information for publishing ratings-related research and analytical reports and for modeling purposes, provided that the Confidential Information is not presented in a way that can be directly tied to the Issuer.
- b) To ensure that employees do not benefit from the knowledge of such Confidential Information, all employees are bound to comply with RAM Ratings' Policy on Personal Investing and Trading of Securities.

(iii) Disclosure of Confidential Information

- a) All employees are prohibited to share or disclose Confidential Information received in connection to the rating exercise unless it is in relation to the analytical work relating to their general function of credit ratings, or when it is required to perform oversight responsibilities or necessary to comply with a regulatory requirement. All such actions must remain consistent with the other policies of RAM Ratings. While an employee may discuss matters related to an issuer or transaction or industry sector with external parties, it must be limited to information that is publicly available.
- b) Information about a pending or a future rating action, including information disclosed and internal deliberations discussed during the rating process is considered material, and such Confidential Information cannot be used or shared under any circumstances except for the above circumstances as highlighted in (iii)(a). For the purposes of this policy, material information is deemed as information that may affect an investment decision of a rational investor, or the market for that security.
- c) When dealing with any party other than the rated issuer or its advisor/arranger/sponsor/promoter, no employees shall share or communicate Confidential Information entrusted to RAM Ratings, except to the

Rating Committee who may use such Confidential Information in their deliberations to arrive at the rating decision.

(iv) Application to non-employees/agents of RAM Ratings

- a) Non-employees of RAM Ratings or external Rating Committee members of RAM Ratings shall be subject to the following:
- The Rating Committee members shall have acknowledged and agreed to their roles and responsibilities as set out in the terms of reference of Rating Committee and shall comply with the provisions therein; and
 - Employees of RAM Ratings' holding company shall have access to Confidential Information provided that such access to Confidential Information is on an "as need" basis. These employees shall be bound by its own confidentiality obligations and RAM Ratings' Code of Conduct.

(v) When information is no longer confidential

Confidential Information relied upon in the rating decision will remain as Confidential Information until such time when the information has been released or published on RAM Ratings' website. In line with our policy on Rating Dissemination and Publication when the rating is publicly disseminated, RAM Ratings will consider comments from the issuer to correct any factual contents in the rating report, and reserves the right to disseminate the rating report in whatever form RAM Ratings, in its editorial judgement, determines to be the most appropriate.

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