

CODE OF CONDUCT

May 2019

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INTRODUCTION

Inbonis is committed to providing high quality, objective, independent and rigorous credit ratings across Europe.

This Code of conduct contains the rules and principles that shall always govern Inbonis rating activities. This Code is to be read in conjunction with Inbonis internal policies and procedures.

These principles are based on the IOSCO Code of Conduct Fundamentals for Credit Rating Agencies which have been adapted, as the case may be, to take into account the EU Regulation on Credit Rating Agencies, in particular Regulation (EC) No 1060/2009 on Credit Rating Agencies and Inbonis specific legal, business and market circumstances.

The principles contained in this Code address four key objectives that are designed to promote informed, independent analyses and opinions:

- Quality and integrity of the credit rating process
- Independence and conflicts of interest
- Transparency and timeliness of ratings
- Protection of confidential information

Inbonis Board of Directors undertakes to comply with the rules, principles and standards laid down in this Code of conduct and expect all Inbonis Employees to act in accordance with this Code and its related policies.

Inbonis Board of Directors has entrusted Inbonis Compliance Officer with the responsibility of monitoring the enforcement of this Code of conduct in accordance with the rules and principles set out in the policy on Inbonis Compliance Function.

Any breach to Inbonis Code of conduct should be reported to Inbonis Compliance Officer and Inbonis Board of Directors who shall jointly take action to address such breach and notify it to ESMA where such breach is material and results in changes in the condition of Inbonis initial registration as a credit rating agency.

This Code of conduct was approved in May 2019 by Inbonis CEO. Any amendments to Inbonis Code of conduct shall be approved by him and communicated to ESMA prior to their enforcement.

Alberto Sanchez Navalpotro - Inbonis CEO

TERMS

For the purposes of this Code:

- "Affiliate" means an entity that directly or indirectly controls, is controlled by, or is under common control with another entity.
- "Analyst" means an employee who performs analytical functions that are necessary for the issuing or monitoring of a credit rating or participates in determining credit ratings, including an employee involved in a credit rating committee.
- "Credit rating" or "rating" means an assessment regarding the creditworthiness of an entity or obligation, expressed using an established and defined ranking system.
- "Credit rating action" means to determine an initial credit rating, an upgrade of an existing credit rating, a downgrade of an existing credit rating (including to a default category), an affirmation of an existing credit rating, or a withdrawal of a credit rating.
- "Credit rating agency" or "CRA" means an entity that is in the business of issuing credit ratings.
- "Credit rating methodology" means the procedure by which Inbonis determines credit ratings, including the information that must be considered or analyzed to determine a credit rating and the analytical framework used to determine the credit rating, including, as applicable, the models, financial metrics, assumptions, criteria, or other quantitative or qualitative factors to be used to determine the credit rating.
- "Credit rating process" means all the steps taken with respect to a credit rating action including, but not limited to, Inbonis selection and assignment of analysts to work on the matter, application of the credit rating methodology, decision-making activities (e.g., the operation of a rating committee), interaction with the rated entity, obligor, originator, underwriter, or arranger, and as applicable, dissemination of the credit rating publicly or to subscribers.
- "Employee" means any individual who works for Inbonis on a full-time, part-time, or temporary basis, including any individual working as a contractor, provided that such contractor is involved in the credit rating process.
- "Entity" means a government; political subdivision, agency, or instrumentality of a government; or a company, corporation, partnership, trust, estate, or association.
- "Trading instrument" means a security, money market instrument, derivative, or other similar product.
- "Obligation" means a trading instrument, credit commitment, loan, or other similar product or transaction that has inherent credit risk.
- "Obligor" means the entity that is legally or contractually obliged to make payments on a rated obligation.

1) QUALITY AND INTEGRITY OF THE CREDIT RATING PROCESS

A. Quality of the Credit Rating Process

- 1.1 Inbonis should establish, maintain, document, and enforce a credit rating methodology for each class of entity or obligation for which Inbonis issues credit ratings. Each credit rating methodology should be rigorous, capable of being applied consistently, and, where possible, result in credit ratings that can be subjected to some form of objective validation based on historical experience.
- 1.2 Credit ratings should reflect all information known and believed to be relevant to Inbonis, consistent with the applicable credit rating methodology that is in effect. Therefore, Inbonis should establish, maintain, document, and enforce policies, procedures, and controls to ensure that the credit ratings and related reports it disseminates are based on a thorough analysis of all such information.
- 1.3 Inbonis should adopt reasonable measures designed to ensure that it has the appropriate knowledge and expertise, and that the information it uses in determining credit ratings is of sufficient quality and obtained from reliable sources to support a high quality credit rating.
- 1.4 Inbonis should avoid issuing credit ratings for entities or obligations for which it does not have appropriate information, knowledge, and expertise. For example, where the complexity of a security or the structure of a type of security, or the lack of robust data about the assets underlying the security raise serious questions as to whether Inbonis can determine a high quality credit rating for the security, Inbonis should refrain from issuing a credit rating.
- 1.5 In assessing creditworthiness, analysts involved in the credit rating action should use the credit rating methodology established by Inbonis for the type of entity or obligation that is subject to the credit rating action. The credit rating methodology should be applied in a manner that is consistent across all entities or obligations for which that methodology is used.
- 1.6 Inbonis should define the meaning of each category in its rating scales and applies those categories consistently across all classes of rated entities and obligations to which a given rating scale applies.
- 1.7 Credit ratings should be assigned by Inbonis as an entity (not by an analyst or other employee of Inbonis).
- 1.8 Inbonis should assign analysts who, individually or collectively (particularly where credit rating committees are used), have appropriate knowledge and experience for assessing the creditworthiness of the type of entity or obligation being rated.
- 1.9 Inbonis should maintain internal records that are accurate and sufficiently detailed and comprehensive to reconstruct the credit rating process for a given credit rating action. The records should be retained for as long as necessary to promote the integrity of Inbonis credit rating process, including to permit internal audit, compliance, and quality control functions to review past credit rating actions in order to carry out the responsibilities of those functions. Further, Inbonis should establish, maintain, document, and enforce policies, procedures, and controls designed to ensure that its employees comply with Inbonis internal record maintenance, retention, and disposition requirements and with applicable laws and regulations governing the maintenance, retention, and disposition of Inbonis records.
- 1.10 Inbonis should establish, maintain, document, and enforce policies, procedures, and controls designed to avoid issuing credit ratings, analyses, or reports that contain misrepresentations or are otherwise misleading as to the general creditworthiness of a rated entity or obligation.
- 1.11 Inbonis should ensure that it has and devotes sufficient resources to carry out and maintain high quality credit ratings. When deciding whether to issue a credit rating for an entity or obligation, Inbonis should assess whether it is able to devote a sufficient number of analysts with the skill sets to determine high quality credit ratings, and whether the analysts will have access to sufficient information in order to determine a high quality credit rating.

- 1.12 Inbonis should establish and maintain a review function made up of one or more senior managers responsible for conducting a rigorous, formal, and periodic review, on a regular basis pursuant to an established timeframe, of all aspects of Inbonis' credit rating methodologies (including models and key assumptions) and significant changes to the credit rating methodologies.
- Where feasible and appropriate for the size and scope of its credit rating business, this function should be independent of the employees who are principally responsible for determining credit ratings.
- 1.13 Inbonis, in selecting the analyst or analysts who will participate in determining a credit rating, should seek to promote continuity but also to avoid bias in the credit rating process. For example, in seeking to balance the objectives of continuity and bias avoidance, Inbonis could assign a team of analysts to participate in determining the credit rating – some for whom the rated entity or obligation is within their area of primary analytical responsibility and some of whom have other areas of primary analytical responsibility.
- 1.14 Inbonis should ensure that sufficient employees and financial resources are allocated to monitoring and updating all its credit ratings. Except for a credit rating that clearly indicates it does not entail ongoing surveillance, once a credit rating is published, Inbonis should monitor the credit rating on an ongoing basis by:
- a) reviewing the creditworthiness of the rated entity or obligation regularly;
 - b) initiating a review of the status of the credit rating upon becoming aware of any information that might reasonably be expected to result in a credit rating action (including withdrawal of a credit rating), consistent with the applicable credit rating methodology;
 - c) reviewing the impact of and applying a change in the credit rating methodologies, models or key rating assumptions on the relevant credit ratings within a reasonable period of time;
 - d) updating on a timely basis the credit rating, as appropriate, based on the results of such review; and
 - e) incorporating all cumulative experience obtained.
- 1.15 If Inbonis uses separate analytical teams for determining initial credit ratings and for subsequent monitoring of existing credit ratings, each team should have the requisite level of expertise and resources to perform their respective functions in a timely manner.
- 1.16 Inbonis should establish, maintain, document, and enforce policies and procedures that clearly set forth guidelines for disseminating credit ratings that are the result or subject of credit rating actions and the related reports, and for when a credit rating will be withdrawn.

B. Integrity of the Credit Rating Process

- 1.17 Inbonis and its employees should deal fairly and honestly with rated entities, obligors, originators, underwriters, arrangers, and users of credit ratings.
- 1.18 Inbonis employees should be held to the highest standards of integrity and ethical behavior, and Inbonis should have policies and procedures in place that are designed to ensure that individuals with demonstrably compromised integrity are not employed.
- 1.19 Inbonis and its employees should not, either implicitly or explicitly, give any assurance or guarantee to an entity subject to a rating action, obligor, originator, underwriter, arranger, or user of Inbonis credit ratings about the outcome of a particular credit rating action. This does not preclude Inbonis from developing preliminary indications in a manner that is consistent with Provisions 1.22 and 2.6(d) of this Code.
- 1.20 Inbonis and its employees should not make promises or threats about potential credit rating actions to influence rated entities, obligors, originators, underwriters, arrangers, or users of Inbonis credit ratings (e.g., subscribers) to pay for credit ratings or other services.

- 1.21 Inbonis and its employees should not make proposals or recommendations regarding the activities of rated entities or obligors that could impact a credit rating of the rated entity or obligation, including but not limited to proposals or recommendations about corporate or legal structure, assets and liabilities, business operations, investment plans, lines of financing, business combinations, and the design of structured finance products.
- 1.22 In each jurisdiction in which Inbonis operates, Inbonis should establish, maintain, document, and enforce policies, procedures, and controls designed to ensure that Inbonis and its employees comply with this Code of conduct and applicable laws and regulations.
- Inbonis should establish a compliance function responsible for monitoring and reviewing the compliance of Inbonis and its employees with the provisions of this Code of conduct and with applicable laws and regulations.
- The compliance function also should be responsible for reviewing the adequacy of Inbonis policies, procedures, and controls designed to ensure compliance with this Code of conduct and applicable laws and regulations.
- Inbonis should assign a senior level employee with the requisite skill set to serve as Inbonis compliance officer in charge of the compliance function. The compliance officer's reporting lines and compensation should be independent of Inbonis credit rating operations.
- 1.23 Upon becoming aware that another employee or an affiliate of Inbonis is or has engaged in conduct that is illegal, unethical, or contrary to this Code of conduct, Inbonis employee should report such information immediately to the compliance officer or another officer of Inbonis, as appropriate, so proper action may be taken. Inbonis employees are not necessarily expected to be experts in the law. Nonetheless, Inbonis employees are expected to report activities that a reasonable person would question. Upon receiving such a report from an employee, Inbonis is obligated to take appropriate action, as determined by the laws and regulations of the jurisdiction and the policies, procedures, and controls established, maintained, documented, and enforced by Inbonis. Inbonis should prohibit retaliation by Inbonis or an employee against any employees who, in good faith, make such reports.

2) INBONIS INDEPENDENCE AND AVOIDANCE OF CONFLICTS OF INTEREST

A. General

- 2.1 Inbonis should not delay or refrain from taking a credit rating action based on the potential effect (economic, political, or otherwise) of the action on Inbonis, a rated entity, obligor, originator, underwriter, arranger, investor, or other market participant.
- 2.2 Inbonis and its employees should use care and professional judgment to maintain both the substance and appearance of Inbonis and its employees' independence and objectivity.
- 2.3 Inbonis determination of a credit rating should be influenced only by factors relevant to assessing the creditworthiness of the rated entity or obligation.
- 2.4 The credit rating Inbonis assigns to an entity or obligation should not be affected by whether there is an existing or potential business relationship between Inbonis (or its affiliates) and the rated entity, obligor, originator, underwriter, or arranger (or any of their affiliates), or any other party.
- 2.5 Inbonis should operationally, legally, and, if practicable, physically separate its credit rating business and its analysts from any other businesses of Inbonis that may present a conflict of interest. For other businesses that do not necessarily present a conflict of interest, Inbonis should establish, maintain, document, and enforce policies, procedures, and controls designed to minimize the likelihood that conflicts of interest will arise. Inbonis should disclose why it believes those other businesses do not present a conflict of interest with its credit rating business.

B. Inbonis Policies, Procedures, Controls and Disclosures

- 2.6 Inbonis should establish, maintain, document, and enforce policies, procedures, and controls to identify and eliminate, or manage and disclose, as appropriate, any actual or potential conflicts of interest that may influence the credit rating methodologies, credit rating actions, or analyses of Inbonis or the judgment and analyses of Inbonis' employees. Among other things, the policies, procedures, and controls should address (as applicable to Inbonis business model) how the following conflicts can potentially influence Inbonis credit rating methodologies or credit rating actions:
 - a) being paid to issue a credit rating by the rated entity or by the obligor, originator, underwriter, or arranger of the rated obligation;
 - b) being paid by subscribers with a financial interest that could be affected by a credit rating action of Inbonis;
 - c) being paid by rated entities, obligors, originators, underwriters, arrangers, or subscribers for services other than issuing credit ratings or providing access to Inbonis credit ratings;
 - d) providing a preliminary indication or similar indication of credit quality to an entity, obligor, originator, underwriter, or arranger prior to being hired to determine the final credit rating for the entity, obligor, originator, underwriter, or arranger; and
 - e) having a direct or indirect ownership interest in a rated entity or obligor, or having a rated entity or obligor have a direct or indirect ownership interest in Inbonis.
- 2.7 Inbonis should disclose actual and potential conflict of interest (including but not limited to, those conflicts of interest identified in Point 2.6 above) in a complete, timely, clear, concise, specific, and prominent manner. When the actual or potential conflict of interest is unique or specific to a credit rating action with respect to a particular rated entity, obligor, originator, lead underwriter, arranger, or obligation, such conflict of interest should be disclosed in the same form and through the same means as the relevant credit rating action.

- 2.8 Inbonis should disclose the general nature of its compensation arrangements with rated entities, obligors, lead underwriters, or arrangers.
- a) When Inbonis receives from a rated entity, obligor, originator, lead underwriter, or arranger compensation unrelated to its credit rating services, Inbonis should disclose such unrelated compensation as a percentage of total annual compensation received from such rated entity, obligor, lead underwriter, or arranger in the relevant credit rating report or elsewhere, as appropriate.
 - b) Inbonis should disclose in the relevant credit rating report or elsewhere, as appropriate, if it receives 5% or more of its annual revenue from a single client (e.g., a rated entity, obligor, originator, lead underwriter, arranger, or subscriber, or any of their affiliates).
- 2.9 Inbonis should not hold or transact in trading instruments presenting a conflict of interest with Inbonis' credit rating activities.
- 2.10 In instances where rated entities or obligors have, or are simultaneously pursuing, oversight functions related to Inbonis, the employees responsible for interacting with the officials of the rated entity or the obligor regarding supervisory matters should be separate from the employees that participate in taking credit rating actions or developing or modifying credit rating methodologies that apply to such rated entity or obligor.

C. Inbonis Employee Independence

- 2.11 Reporting lines for Inbonis employees and their compensation arrangements should be structured to eliminate or effectively manage actual and potential conflicts of interest.
- a) An Inbonis employee who participates in or who might otherwise have an effect on a credit rating action with respect to an entity or obligation should not be compensated or evaluated on the basis of the amount of revenue that Inbonis derives from that entity or obligor.
 - b) Inbonis should conduct formal and periodic reviews of its compensation policies, procedures, and practices for Inbonis employees who participate in or who might otherwise have an effect on a credit rating action to ensure that these policies, procedures, and practices have not compromised and do not compromise the objectivity of Inbonis credit rating process.
- 2.12 Inbonis' employees who participate in or who might otherwise have an effect on a credit rating action should not initiate or participate in discussions with rated entities, obligors, arrangers, or subscribers regarding fees or payments charged to such rated entity, obligor, arranger, or subscriber.
- 2.13 An Inbonis employee should not participate in or otherwise influence Inbonis' credit rating action with respect to an entity or obligation if the employee, an immediate family member of the employee (e.g., spouse, domestic partner, or dependent), or an entity managed by the employee (e.g., a trust):
- a) Holds or transacts in a trading instrument issued by the rated entity or obligor;
 - b) Holds or transacts in a trading instrument (other than a diversified collective investment scheme) that itself owns an interest in the rated entity or obligor, or is a derivative based on a trading instrument issued by the rated entity or obligor;
 - c) Holds or transacts in a trading instrument issued by an affiliate of the rated entity or obligor, the ownership of which may cause or may be perceived as causing a conflict of interest with respect to the employee or Inbonis;
 - d) Holds or transacts in a trading instrument issued by a lead underwriter or arranger of the rated obligation, the ownership of which may cause or may be perceived as causing a conflict of interest with respect to the employee or Inbonis;
 - e) Is currently employed by, or had a recent employment or other significant business relationship with the rated entity or obligor or a lead underwriter or arranger of the rated obligation that may cause or may be perceived as causing a conflict of interest;
 - f) Is a director of the rated entity or obligor, or lead underwriter or arranger of the rated obligation; or

- g) Has, or had, another relationship with or interest in the rated entity, obligor, or the lead underwriter or arranger of the rated obligation (or any of their affiliates) that may cause or may be perceived as causing a conflict of interest.
- 2.14 Inbonis analysts should not hold or transact in a trading instrument issued by a rated entity or obligor in the analyst's area of primary analytical responsibility. This would not preclude an analyst from holding or trading a diversified collective investment scheme that owns a trading instrument issued by a rated entity or obligor in the analyst's area of primary analytical responsibility.
- 2.15 Inbonis employees should be prohibited from soliciting money, gifts, or favors from anyone with whom Inbonis does business and should be prohibited from accepting gifts offered in the form of cash or cash equivalents or any gifts exceeding a minimal monetary value.
- 2.16 An Inbonis employee who becomes involved in a personal relationship (including, for example, a personal relationship with an employee of a rated entity, obligor, or originator, or the lead underwriter or arranger of a rated obligation) that creates an actual or potential conflict of interest should be required under Inbonis policies, procedures, and controls to disclose the relationship to the compliance officer or another officer of Inbonis, as appropriate.
- 2.17 Inbonis should establish, maintain, document, and enforce policies, procedures, and controls for reviewing without unnecessary delay the past work of an analyst who leaves the employ of Inbonis and joins an entity that the employee participated in rating, an obligor whose obligation the employee participated in rating, an originator, underwriter, or arranger with which the employee had significant dealings as part of his or her duties at Inbonis, or any of their affiliates.

3) INBONIS RESPONSIBILITIES TO THE INVESTING PUBLIC, RATED ENTITIES, OBLIGORS, ORIGINATORS, UNDERWRITERS, AND ARRANGERS

A. Transparency and Timeliness of Credit Ratings Disclosure

- 3.1 Inbonis should assist investors and other users of credit ratings in developing a greater understanding of credit ratings by disclosing in plain language, among other things, the nature and limitations of credit ratings and the risks of unduly relying on them to make investment or other financial decisions. Inbonis should not state or imply that the European Securities and Markets Authority (ESMA) endorses its credit ratings or use its registration status to advertise the quality of its credit ratings.
- 3.2 Inbonis should disclose sufficient information about its credit rating process and its credit rating methodologies, so that investors and other users of credit ratings can understand how a credit rating was determined by Inbonis.
- 3.3 Inbonis should disclose a material modification to a credit rating methodology prior to the modification taking effect unless doing so would negatively impact the integrity of a credit rating by unduly delaying the taking of a credit rating action. In either case, Inbonis should disclose the material modification in a non-selective manner.
- 3.4 Inbonis should disclose its policies and procedures that address the issuance of unsolicited credit ratings.
- 3.5 Inbonis should disclose its policies and procedures for distributing credit ratings and reports, and for when a credit rating will be withdrawn.
- 3.6 Inbonis should disclose clear definitions of the meaning of each category in its rating scales, including the definition of default.
- 3.7 Inbonis should be transparent with investors, rated entities, obligors, originators, underwriters, and arrangers about how the relevant entity or obligation is rated.
- 3.8 Where feasible and appropriate, Inbonis should inform the rated entity, or the obligor or arranger of the rated obligation about the critical information and principal considerations upon which a credit rating will be based prior to disseminating a credit rating that is the result or subject of the credit rating action and afford such rated entity, obligor, or arranger an adequate opportunity to clarify any factual errors, factual omissions, or factual misperceptions that would have a material effect on the credit rating. Inbonis should duly evaluate any response from such rated entity, obligor, or arranger. Where in particular circumstances Inbonis has not informed such rated entity, obligor, or arranger prior to disseminating a credit rating action, Inbonis should inform such rated entity, obligor, or arranger as soon as practical thereafter and, generally, should explain why it did not inform such rated entity, obligor, or arranger prior to disseminating the credit rating action.
- 3.9 When Inbonis publicly discloses or distributes to its subscribers (depending on Inbonis business model) a credit rating that is the result or subject of the credit rating action, it should do so as soon as practicable after taking such action.
- 3.10 When Inbonis publicly discloses or distributes to its subscribers (depending on Inbonis business model) a credit rating that is the result or subject of a credit rating action, it should do so on a non-selective basis.
- 3.11 Inbonis should disclose with a credit rating that is the result or subject of a credit rating action whether the rated entity, obligor, or originator, or the underwriter or arranger of the rated obligation participated in the credit rating process. Each credit rating not initiated at the request of the rated entity, obligor, or originator, or the underwriter or arranger of the rated obligation should be identified as such.
- 3.12 Inbonis should clearly indicate the attributes and limitations of each credit rating, and the extent to which Inbonis verifies information provided to it by the rated entity, obligor, or originator, or the underwriter or arranger of the rated obligation. For example, if the credit rating involves a type of entity or obligation for

which there is limited historical data, Inbonis should disclose this fact and how it may limit the credit rating.

- 3.13 Inbonis should indicate in the announcement of a credit rating that is the result or the subject of a credit rating action when the credit rating was last updated or reviewed. The credit rating announcement should also indicate the principal credit rating methodology or methodology version that was used in determining the credit rating and where a description of that credit rating methodology can be found. Where the credit rating is based on more than one credit rating methodology, or where a review of only the principal credit rating methodology might cause investors and other users of credit ratings to overlook important aspects of the credit rating, Inbonis should explain this fact in the credit rating announcement, and indicate where to find a discussion of how the different credit rating methodologies and other important aspects factored into the credit rating decision.
- 3.14 When issuing or revising a credit rating, Inbonis should explain in its announcement and/or report the key assumptions and data underlying the credit rating, including financial statement adjustments that deviate materially from those contained in the published financial statements of the relevant rated entity or obligor.
- 3.15 If Inbonis discontinues monitoring a credit rating for a rated entity or obligation it should either withdraw the credit rating or disclose such discontinuation to the public or to its subscribers (depending on Inbonis business model) as soon as practicable. A publication by Inbonis of a credit rating that is no longer being monitored should indicate the date the credit rating was last updated or reviewed, the reason the credit rating is no longer monitored, and the fact that the credit rating is no longer being updated.
- 3.16 To promote transparency and to enable investors and other users of credit ratings to compare the performance of different CRAs, Inbonis should disclose sufficient information about the historical transition and default rates of its credit rating categories with respect to the classes of entities and obligations it rates. This information should include verifiable, quantifiable historical information, organized over a period of time, and, where possible, standardized in such a way to assist investors and other users of credit ratings in comparing different CRAs. If the nature of the rated entity or obligation or other circumstances make such historical transition or default rates inappropriate, statistically invalid, or otherwise likely to mislead investors or other users of credit ratings, Inbonis should disclose why this is the case.

B. The Treatment of Confidential Information

- 3.17 Inbonis should establish, maintain, document, and enforce policies, procedures, and controls to protect confidential and/or material non-public information, including confidential information received from a rated entity, obligor, or originator, or the underwriter or arranger of a rated obligation, and non-public information about a credit rating action (e.g., information about a credit rating action before the credit rating is publicly disclosed or disseminated to subscribers).
 - a) The policies, procedures, and controls should prohibit Inbonis and its employees from using or disclosing confidential and/or material non-public information for any purpose unrelated to Inbonis credit rating activities, including disclosing such information to other employees where the disclosure is not necessary in connection with Inbonis credit rating activities, unless disclosure is required by applicable law or regulation.
 - b) The policies, procedures, and controls should require Inbonis and its employees to take reasonable steps to protect confidential and/or material non-public information from fraud, theft, misuse, or inadvertent disclosure.
 - c) With respect to confidential information received from a rated entity, obligor, originator, underwriter, or arranger, the policies, procedures, and controls should prohibit Inbonis and its employees from using or disclosing such information in violation of the terms of any applicable agreement or mutual understanding that Inbonis will keep the information confidential, unless disclosure is required by applicable law or regulation.
 - d) With respect to a pending credit rating action, the policies, procedures, and controls should prohibit Inbonis and its employees from selectively disclosing information about the pending credit rating action, except to the rated entity, obligor, arranger, or their designated agents, or as required by applicable law or regulation.

- 3.18 Inbonis should establish, maintain, document, and enforce policies, procedures, and controls designed to prevent violations of applicable laws and regulations governing the treatment and use of confidential and/or material non-public information.
- 3.19 Inbonis should establish, maintain, document, and enforce policies, procedures, and controls that prohibit employees that possess confidential and/or material non-public information concerning a trading instrument from engaging in a transaction in the trading instrument or using the information to advise or otherwise advantage another person in transacting in the trading instrument.

4) GOVERNANCE, RISK MANAGEMENT, AND EMPLOYEE TRAINING

- 4.1 Inbonis board (or similar body) should have ultimate responsibility for ensuring that Inbonis establishes, maintains, documents, and enforces a code of conduct that gives full effect to the IOSCO Code of Conduct Fundamentals for Credit Rating Agencies.
- 4.2 Inbonis should establish a risk management function made up of one or more senior managers or employees with the appropriate level of experience responsible for identifying, assessing, monitoring, and reporting the risks arising from its activities, including, but not limited to legal risk, reputational risk, operational risk, and strategic risk. The function should be independent of the internal audit function (if practicable given Inbonis size) and make periodic reports to the board (or similar body) and senior management to assist them in assessing the adequacy of the policies, procedures, and controls Inbonis establishes, maintains, documents, and enforces to manage risk, including the policies, procedures, and controls specified in the IOSCO Code of Conduct Fundamentals for Credit Rating Agencies.
- 4.3 Inbonis should establish, maintain, document, and enforce policies, procedures, and controls requiring employees to undergo formal ongoing training at reasonably regular time intervals. The subject matter covered by the training should be relevant to the employee's responsibilities and should cover, as applicable, this Code of conduct, Inbonis credit rating methodologies, the laws governing Inbonis credit rating activities, Inbonis policies, procedures, and controls for managing conflicts of interest and governing the holding and transacting in trading instruments, and Inbonis policies and procedures for handling confidential and/or material non-public information. The policies, procedures, and controls should include measures designed to verify that employees undergo required training.

5) DISCLOSURE AND COMMUNICATION WITH MARKET PARTICIPANTS

- 5.1 Inbonis disclosures, including those specified in the provisions of the IOSCO CRA Code, should be complete, fair, accurate, timely, and understandable to investors and other users of credit ratings.
- 5.2 Inbonis should disclose with its code of conduct a description of how the provisions of its code of conduct fully implement the provisions of the IOSCO Statement of Principles Regarding the Activities of Credit Rating Agencies and the IOSCO Code of Conduct Fundamentals for Credit Rating Agencies (collectively, the "IOSCO provisions"). If Inbonis code of conduct deviates from an IOSCO provision, Inbonis should identify the relevant IOSCO provision, explain the reason for the deviation, and explain how the deviation nonetheless achieves the objectives contained in the IOSCO provisions. Inbonis should describe how it implements and enforces its code of conduct. Inbonis also should disclose as soon as practicable any changes to its code of conduct or changes to how it is being implemented or enforced.
- 5.3 Inbonis should establish and maintain a function within its organization charged with receiving, retaining, and handling complaints from market participants and the public. The function should establish, maintain, document, and enforce policies, procedures, and controls for receiving, retaining, and handling complaints, including those that are provided on a confidential basis. The policies, procedures, and controls should specify the circumstances under which a complaint must be reported to senior management and/or the board (or similar body).
- 5.4 Inbonis should publicly and prominently disclose free of charge on its primary website:
 - a) Inbonis Code of conduct;
 - b) a description of Inbonis credit rating methodologies;
 - c) information about Inbonis historic performance data; and
 - d) any other disclosures specified in this Code as applicable given Inbonis business model as well as mandatory disclosures under Regulation (EC) No 1060/2009 on Credit Rating Agencies.