



News Release

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FOR IMMEDIATE RELEASE

Morningstar Credit Ratings Now Qualifies as a Rating Agency under Amended Underwriter Exemption of the Employee Retirement Income Security Act of 1974

CHICAGO/HORSHAM, July 10, 2013 - Morningstar Credit Ratings, LLC, an NRSRO and the structured credit research and ratings subsidiary of Morningstar, Inc., today announced that it now qualifies as a "Rating Agency" as defined by the United States Department of Labor (DOL) in its amended requirements for the Exemption From Certain Prohibited Transaction Restrictions of the Employee Retirement Income Security Act of 1974 (ERISA), commonly referred to as the "Underwriter Exemptions." The amended exemption increases the ability of employee benefit plans to invest in structured credit securities that carry ratings issued by Morningstar Credit Ratings.

Published July 9, the DOL revised the definition of "Rating Agency" as set forth in Section III.X of the Underwriter Exemptions to eliminate any specific reference to a particular credit rating agency. The DOL's new definition is as follows:

"Rating Agency" means a credit rating agency that: (i) Is currently recognized by the U.S. Securities and Exchange Commission (SEC) as a nationally recognized statistical ratings organization (NRSRO); (ii) has indicated on its most recently filed SEC Form NRSRO that it rates "issuers of asset-backed securities;" and (iii) has had, within a period not exceeding 12 months prior to the initial issuance of the securities, at least three (3) "qualified ratings engagements." A "qualified ratings engagement" is one (i) requested by an issuer or underwriter of securities in connection with the initial offering of the securities; (ii) for which the credit rating agency is compensated for providing ratings; (iii) which is made public to investors generally; and (iv) which involves the offering of securities of the type that would be granted relief by the Underwriter Exemptions.

"The DOL amendment is a critical step toward increasing competition in the rating agency industry by creating a level playing field for all NRSROs," Joe Petro, managing director of Morningstar's structured credit ratings business, said. "This development will provide more options to both issuers and the employee benefit plans that are governed by ERISA, which utilize credit ratings and rating agency analysis as part of their investment process."

ERISA is a federal law that sets uniform, minimum standards for employee benefit plans, including requirements to regularly provide information about plan features and funding and accountability of plan

fiduciaries. The DOL's announcement is available in the U.S. Federal Register at <https://federalregister.gov/a/2013-16386>.

About Morningstar Credit Ratings, LLC and Morningstar, Inc.

Morningstar Credit Ratings, LLC is a Nationally Recognized Statistical Rating Organization (NRSRO) that specializes in structured credit research and ratings, including commercial mortgage-backed securities (CMBS). Morningstar Credit Ratings offers a wide array of services including new-issue ratings and analysis, operational risk assessments, surveillance services, data, and technology solutions.

Morningstar Credit Ratings, LLC is a subsidiary of Morningstar, Inc., a leading provider of independent investment research in North America, Europe, Australia, and Asia.

Morningstar, Inc. offers an extensive line of products and services for individuals, financial advisors, and institutions. Morningstar provides data on more than 422,000 investment offerings, including stocks, mutual funds, and similar vehicles, along with real-time global market data on more than 9 million equities, indexes, futures, options, commodities, and precious metals, in addition to foreign exchange and Treasury markets. Morningstar also offers investment management services through its registered investment advisor subsidiaries and has approximately \$157 billion in assets under advisement and management as of March 31, 2013. The company has operations in 27 countries.

Morningstar, Inc. is not an NRSRO and its credit ratings on corporate and municipal issuers are not NRSRO credit ratings.

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