

Assigned J-1 to Medical Fees Receivable ABL10-07 (Asahikawa Sanai HP)
July 22, 2010

JCR has assigned a J-1 rating to a limited recourse asset-backed loan (ABL) backed by medical treatment fees receivable.

Instrument Name: Medical Treatment Fees Receivable (Kyokuhokai Medical Association, Asahikawa Sanai Hospital) Securitization Program

Rating: J-1

ABL Execution Amount: Y70,000,000

Underlying Assets: Medical treatment fees receivable originated by Kyokuhokai Medical Association, Asahikawa Sanai Hospital from Social Insurance Medical Fee Payment Fund (SIMFPF) and the Federation of National Health Insurance Organizations (FNHIOs)

Credit Enhancement & Liquidity Facility: Senior-subordinated structure
(Underlying Assets: Y110,379,448, Subordination: Y40,379,448)

ABL Execution Date: July 26, 2010

Final Maturity Date: August 31, 2010

Coupon Type: fixed

Originator: Kyokuhokai Medical Association, Asahikawa Sanai Hospital

ABL Borrower: Progress Funding Corporation

Arranger: North Pacific Bank, Ltd.

<Rationale>

Kyokuhokai Medical Association, Asahikawa Sanai Hospital securitizes its medical treatment fees receivable from Social Insurance Medical Fee Payment Fund (SIMFPF) and the Federation of National Health Insurance Organizations (FNHIOs). There are no concerns about capabilities of parties to the structure to carry out their administrative duties. Risks with respect to principal and interest payments have been reduced to a level consistent with J-1 rating through credit enhancement and mechanism of the structure.