

Japan Credit Rating Agency, Ltd. (JCR) announces the following credit rating.

<Asset Securitization Products> Ferry Road ETC Card Receivable ABL Program

<Rating Change>

ABL Program: from J-1 to J-1+

Rationale

Ferry Road Cooperative Association securitizes its receivables (monthly clear receivables) against union members with respect to the charges for expressway tolls using Electronic Toll Collection (ETC) system. The subordination level is assessed as satisfactory in order for the certainty of principal repayment as stipulated to be maintained at J-1+ level. Under the structure, monies collected from union members are paid directly by the collection agent to the SPC without going through the Association. The ceiling of the rating on the ABL Program is the creditworthiness of the collection agent. JCR changed the evaluation on the creditworthiness of the collection agent to J-1+. The actual subordination ratio for this program is set at the level satisfying the required subordination ratio equivalent to J-1+. Given these factors, JCR has changed the rating on this ABL Program from J-1 to J-1+.

Hideyuki Shoji, Yusuke Koguchi

Rating

<Rating Change>

Instrument Name:	Ferry Road ETC Card Receivable ABL Program
Maximum Amount:	JPY 1.5 billion
Program Establishment Date:	August 31, 2012
ABL Execution Date:	Last day of every month
Scheduled Repayment Date:	8th business day after the 6th day of the following month of the ABL execution date
Final Repayment Date:	Corresponding date in the 3rd month after the scheduled repayment date
Credit Enhancement & Liquidity Facility:	Senior-subordinated structure, 3-month tail period Program Subordination Ratio: 13.00% + Excess above 1% (Subordination Amount / Total Amount of Receivables)
Coupon Type:	Fixed
Redemption Method:	Bullet Redemption
Rating:	J-1+

<Information on Outline of Issue>

ABL Execution Amount*:	JPY 914,568,327
ABL Execution Date*:	January 30, 2020
Scheduled Repayment Date*:	February 19, 2020
Final Repayment Date*:	May 19, 2020

Disclosure Requirements for Securitization Transaction Ratings with respect to Basel II have been met.

*This instrument is an ABL program in which an asset-backed loan (ABL) is executed repeatedly and continually, and ABL Execution Amount, etc. are the same as the conditions specified when JCR assigned the rating.

<Information on Structure and Stakeholders>

Originator:	Ferry Road Cooperative Association
SPC:	Progress Funding Corporation
Arranger:	North Pacific Bank, Ltd.

<Information on Underlying Assets>

Outline of Underlying Assets:

Yen-denominated money claims generated by the Originator's validated domestic transaction

Rating Assignment Date: January 28, 2020

The criteria used for identifying matters which serve as assumptions for the assessment of the credit status, and the criteria used for setting of grades indicating the results of the assessments of the credit status are published as "Types of Credit Ratings and Definitions of Rating Symbols" (January 6, 2014) in Information about JCR Ratings on JCR's website (<http://www.jcr.co.jp/en/>).

Outline of methodology for determination of the credit rating is shown as "Installment Receivables and Card Shopping Receivables" (June 2, 2014) in Information about JCR Ratings on JCR's website (<http://www.jcr.co.jp/en/>). Rating methodologies for other ancillary points such as eligible deposit accounts and bankruptcy remoteness are also shown within the same page.

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JCR publishes its press releases regarding the rating actions both in Japanese and in English on the same day. In case that it takes time to translate rating rationale, JCR may publicize the summary version, which will be replaced by the full translated version within three business days. (Regarding Structured Finance products, JCR only publicize the summary version in English.)

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