

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

<Asset Securitization Products> Hokuriku Bank C Corporation Bills Receivables ABL19-06

<Assignment>

ABL

ABL-1: J-1+

ABL-2: J-2

C Corporation securitizes its bills receivable from the customers. There are no concerns about capabilities of parties to the structure to carry out their administrative duties and their continuity. Risk with respect to principal repayment has been reduced to a level consistent with J-1+ rating for ABL-1 and J-2 rating for ABL-2 through senior-subordinated structure and legal measures.

Riho Saiki, Yusuke Koguchi

Rating

<Assignment>

Instrument Name: Hokuriku Bank C Corporation Bills Receivable ABL19-06 ABL-1

ABL Execution Amount: JPY 513,840,483

Subordination Ratio: 15.00%

ABL Repayment Date: August 29, 2019

Coupon Type: Fixed

Rating: J-1+

Instrument Name: Hokuriku Bank C Corporation Bills Receivable ABL19-06 ABL-2

ABL Execution Amount: JPY 90,677,733

Subordination Ratio: -

ABL Repayment Date: August 29, 2019

Coupon Type: Fixed

Rating: J-2

<Information on Outline of Issue>

ABL Execution Date: June 25, 2019

Repayment Method: Controlled Amortization

Credit Enhancement & Liquidity Facility: Senior-subordinated structure

ABL-1 Subordination Ratio: 15.00% (ABL-2 Principal amount / Balance of receivables)

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

<Information on Structure and Stakeholders>

Originator: A pulp & paper company in Toyama (large scale)

ABL Borrower: Neo-frontier Funding Corporation (Toyama Branch)

Arranger: The Hokuriku Bank, Ltd.

<Information on Underlying Assets>

Outline of Underlying Assets: Originator's bills receivable in the form of promissory notes or bill of exchange accepted by originator from debtors for settlement of accounts receivable generated from its normal commercial transaction

Rating Assignment Date: June 25, 2019

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 (<https://www.jcr.co.jp/en/>).

Outline of methodology for determination of the credit rating is shown as "Notes and Accounts Receivables" (June 2, 2014) in Information about JCR Ratings on JCR's website (<https://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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