

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

<Asset Securitization Products> Medical Treatment Fees Receivable ABL Program (Seiwakai Medical Corporation, Ishii Hospital)

<Affirmation>

ABL Program: J-1

Rationale

Seiwakai Medical Corporation, Ishii Hospital in Hokkaido securitizes its medical treatment fees receivable from Health Insurance Claims Review & Reimbursement Services and The Federation of National Health Insurance Associations. Having reviewed the rating on this ABL program following program renewal, JCR evaluates that the subordination level is satisfactory so that certainty of principal repayment and interest payment as stipulated can be maintained at “J-1” level. There are no concerns about capabilities of parties to the structure to carry out their administrative duties. JCR evaluated the rating on this ABL program to be affirmed at “J-1,” taking into account the above as a whole.

Hideyuki Shoji, Yusuke Koguchi

Rating

<Affirmation>

Instrument Name: Medical Treatment Fees Receivable ABL Program (Seiwakai Medical Corporation, Ishii Hospital)

Maximum: JPY 300 million

Program Establishment Date: October 19, 2012

Credit Enhancement & Liquidity Facility: Senior-subordinated structure

Program Subordination Ratio: 20.00% (Subordination Ratio = Subordination Amount / Total Amount of Receivables, rounded to two decimal places)

Coupon Type: Fixed

Redemption Method: Bullet Redemption

Rating: J-1

<Information on Outline of Issue>

ABL Execution Amount*: JPY 67,286,833

ABL Execution Date*: October 24, 2019

Final Maturity Date*: February 26 and March 26, 2020

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

<Information on Structure and Stakeholders>

Originator: Seiwakai Medical Corporation, Ishii Hospital

SPC: Progress Funding Corporation

Arranger: North Pacific Bank, Ltd.

<Information on Underlying Assets>

Outline of Underlying Assets: Medical treatment fees receivable under health insurance held by originator against Health Insurance Claims Review & Reimbursement Services and The Federation of National Health Insurance Associations

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

Rating Assignment Date: October 18, 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 "Medical Remuneration Receivables" (July 3, 2017) 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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