

**Structured Finance Rating  
 Asset-Backed Securities  
 (Preliminary Report)**

New  Update

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**Pasha Yatırım Bankası A.Ş. Maygold Otomotiv İkinci Varlık Finansmanı Fonu**

Type of Asset-Backed Securities	PTCs - Pay Through Certificates
Originator (Parent)	Maygold Otomotiv A.Ş.
Servicer(s)	Maygold Otomotiv A.Ş. & Pasha Yatırım Bankası A.Ş. & QNB Finans Yatırım A.Ş. & Türkiye Vakıflar Bankası TAO & Kuveyt Türk Katılım Bankası A.Ş.
Special Purpose Vehicle	Pasha Yatırım Bankası A.Ş. Maygold Otomotiv 2. Varlık Finansmanı Fonu
Transaction Administrator	Pasha Yatırım Bankası A.Ş.
Issuer	Pasha Yatırım Bankası A.Ş. Maygold Otomotiv 2. Varlık Finansmanı Fonu
Registration	Merkezi Kayıt Kuruluşu A.Ş.
Transferor	Maygold Otomotiv A.Ş.
Purchasing Programme	Maygold Otomotiv A.Ş.; (5% of the Issue Amount)
Overcollateralization	Maygold Otomotiv A.Ş.; (10.0 % of the Issue Amount)
Specific Applicable Law	The CMB Communiqué Serial: III, No: 58.1 named "Asset-Backed and Mortgage-Backed Securities"
Insurance Agencies for Investors and Obligors	None
Issue Nom. Size/Aggregate Issuance	Up to TRY20 mn (Aggregated) (in 24 Separate Tranches)
Interest Rate	Senior Tranche: 25% Junior Tranche: 27%
Payment Frequency-Principal	At Maturity
Payment Frequency-Interest	At Maturity
Estimated Issue Date	11.11.2021
Weighted Average Life	383.92 Days

**RATINGS**

		Senior Tranche		Junior Tranche	
		ISIN Code: TRPPAMGK2327		ISIN Code: TRPPAMGK2319	
ABSs to be issued by "Pasha Yatırım Bankası A.Ş. Maygold Otomotiv İkinci Varlık Finansmanı Fonu"		Long Term	Short Term	Long Term	Short Term
International Local Currency		BB	B	BB	B
National Note		AA+ (Trk)	A-1+ (Trk)	AA- (Trk)	A-1+ (Trk)
Sovereign*	FC	BB	-	BB	-
	LC	BB	-	BB	-
	Outlook FC	Stable	-	Stable	-
	Outlook LC	Stable	-	Stable	-

\* Assigned by JCR on May 31, 2021

**Overview**

"Pasha Yatırım Bankası A.Ş. Maygold Otomotiv İkinci Varlık Finansmanı Fonu" (hereinafter referred as Asset Finance Fund, the Fund or SPV) was established for an infinite term by Pasha Yatırım Bankası A.Ş. (Pasha Bank) to issue asset-backed securities.

Approved asset amount of the Fund is up to TRY 20mn and its originator is Maygold Otomotiv A.Ş, realizing asset-backed securities based on car sales promissory notes receivables in instalments, guaranteed by surety insurance. The Maygold Group Companies mainly operates in the automotive and fuel sectors, followed by insurance, jewellery and foreign exchange within active five companies with a total of 125 employees. Maygold Otomotiv A.Ş.; offering second-hand term automotive sales (Otovadeli), automotive sales in cash, long-term rental service to predominantly public institutions (Maygold Filo) and daily car rental service (Mayrent) to individual customers. Otovadeli.com is a platform where approximately 9,000 second-hand vehicles are currently displayed and customers who want to purchase a term vehicle can apply. The vehicles exhibited on the platform consist of approximately 600 vehicles within the body of Maygold Automotive AŞ with the cooperation of gallery / dealer.

Planned to be issued in 24 separate maturity tranches by a pay-through mechanism, ABSs (asset-backed securities) will be sold on the nominal values to local qualified investors by invitation without any public offering. The essential elements to inspire investor confidence are the similar financial profile of obligors of assets in the receivable pool, low portfolio risk and expected losses of these assets, expected-to-increase liquidity facility to be attained through high ending cash balances of loan repayments by obligors to cover disbursements to ABS investors, and hence increased capacity to repay obligations arising from this ABS issue. In addition to the ABS issues of TRY 15mn on November 5, 2020; the detailed disclosures were issued by JCR Eurasia of TRY 30mn on March 11, 2021 respectively based on other credit pools formed from other loan receivables of the same nature with the same legal entities of the same parties.

JCR Eurasia Rating maintains its opinion that space created for "Pasha Yatırım Bankası A.Ş. Maygold Otomotiv İkinci Varlık Finansmanı Fonu" and its technical equipment, as well as the internal control system procedures, the constitution of a system for the safeguarding of accounting, records, and documentation and the possession of a statistical data base will function efficiently - also regarding the prior similar issues.

**Strengths**

**Constraints**

- |   |   |
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| <ul style="list-style-type: none"> <li>• Numerous strict asset eligibility requirements strengthening appropriateness level of assets in the receivable pool,</li> <li>• Fully coverage against the risk of damage, theft and loss with 100% car pledge &amp; insurance,</li> <li>• 100% transferred promissory notes bearing joint and several guaranty by Maygold entity and its majority shareholder,</li> <li>• Regulatory requirement of 5% risk retention mechanism and 10.0% collateral of total pool serving as additional supports component for the ABS investors,</li> <li>• Current local regulations in Turkey affording for asset isolation and remoteness of bankruptcy,</li> <li>• An immune and liquid portfolio structure guaranteed by matching terms and few conditionalities for receivables,</li> <li>• Multitudinous profile of obligors in the receivable pool lowering concentration risk to minimum,</li> </ul> | <ul style="list-style-type: none"> <li>• Absence of established insurance mechanism,</li> <li>• An identical risk profiles across the tranches impeding investor diversity despite presence of waterfall structure for senior tranche,</li> <li>• Excess spread level pressurized by exposure of the structure to interest rate mismatch in terms of fixed vs. floating rates to a certain extent,</li> <li>• Detailed risk assessments of the originator and transaction administrator outside the scope of analyses,</li> <li>• Growing uncertainties followed by Covid-19 pandemic to exert temporary adversities on debt servicing capacity.</li> </ul> |
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