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Rating Assigned To Bayport Securitisation (RF)'s BYA49U Class A South African ABS Notes; Other Ratings Affirmed

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OVERVIEW

- We have assigned our 'zaA+ (sf)' rating to Bayport Securitisation (RF)'s BYA49U class A notes.
- At the same time, we have affirmed our ratings on all of Bayport Securitisation (RF)'s outstanding class A notes.
- Bayport Securitisation (RF) securitizes a portfolio of South African consumer loan receivables that Bayport Financial Services 2010 (Pty) originated.

MOSCOW (Standard & Poor's) May 5, 2015--Standard & Poor's Ratings Services today assigned its 'zaA+ (sf)' credit rating to Bayport Securitisation (RF) Ltd.'s BYA49U class A notes. At the same time, we have affirmed our ratings on Bayport Securitisation (RF)'s outstanding class A notes (see list below).

Today's rating actions reflect our credit and cash flow analysis, using the most recent available collateral performance data (as of December 2014). We have considered the most recent transaction structure in our analysis after the March 31, 2015 interest payment date.

Bayport Securitisation (RF) securitizes a portfolio of South African consumer loan receivables that Bayport Financial Services 2010 (Pty) Ltd. (Bayport) originated in the ordinary course of its business. The transaction does not

have a fixed revolving period; it revolves until the issuer fully repays the outstanding debt, or until an acceleration event occurs.

RATING RATIONALE

Economic Outlook

In our credit analysis, we have considered our latest forecasts for South Africa's economy and trends in the unsecured consumer loan sector (see "Ratings On South Africa Affirmed; Outlook Stable," published on Dec. 12, 2014).

In our view, the originator's historically good performance in a high-risk lending environment, and its close attention to credit affordability as part of its risk management processes, mitigate the negative effect of the economy's potential sluggish growth and high unemployment on collateral performance.

Operational Risk

We consider the risk relating to the servicer to be mitigated at the rating levels of the notes in line with our criteria (see "Global Framework For Assessing Operational Risk In Structured Finance Transactions," published on Oct. 9, 2014). A standby servicer (MBD Credit Solutions [PTY] Ltd.) has been in place since inception in case the issuer ceases to be the servicer.

Credit Risk

We have analyzed credit risk by applying our "Global Methodology And Assumptions For Assessing The Credit Quality Of Securitized Consumer Receivables" criteria, published on Oct. 9, 2014, to derive our default and recovery assumptions for various rating levels. Our credit analysis assumptions remain unchanged since the analysis we performed in March (see "All Ratings Raised In South African ABS Transaction Bayport Securitisation (RF) Following Review Under New Criteria," published on March 13, 2015).

BASE-CASE AND STRESSED DEFAULT AND RECOVERY ASSUMPTIONS

	---Default rate---		---Recovery rate---	
	Consumer loans	Cellular loans	Consumer loans	Cellular loans
Base case (%)	39.00	40.00	8.50	5.00

Cash Flow Analysis

Our cash flow model reflects our assessment of the transaction's payment structure and our credit and cash flow assumptions, including the issuance of the additional ZAR65 million issuance of the BYA49U class A notes and the corresponding reduction in the warehouse facility to ZAR85 million from ZAR150 million. We applied our "Global Framework For Cash Flow Analysis Of Structured Finance Securities" criteria, published on Oct. 9, 2014. The BYA49U class A notes are bullet notes with a legal final maturity of three years. They passed our cash flow analysis and stresses at a long-term 'zaA+' rating level. We have therefore assigned our 'zaA+ (sf)' rating to the BYA49U class A notes.

Our analysis indicates that the available credit enhancement for the outstanding rated class A notes is sufficient to mitigate the credit and cash flow risks at the 'zaA+' rating level. We have therefore affirmed our ratings on all other class A notes.

Counterparty Risk

The transaction is exposed to the credit risk of Standard Bank of South Africa Ltd. as the issuer bank account provider. We consider that the transaction documents adequately mitigate this risk in line with our current counterparty criteria (see "Counterparty Risk Framework Methodology And Assumptions," published on June 25, 2013). The servicer is an unrated entity. We consider that the risk of losses through cash collections falling into the servicer collection accounts to be structurally mitigated under our current counterparty criteria, as the exposure period is limited to one business day.

Legal Risk

We consider the issuer to be bankruptcy-remote, in line with our European legal criteria (see "Asset Isolation And Special-Purpose Entity Criteria--Structured Finance," published on May 7, 2013).

Rating Stability

Under our scenario analysis, we ran two stress scenarios and assessed the transaction's performance. The results of our scenario analysis are commensurate with our credit stability criteria (see "Methodology: Credit Stability Criteria," published on May 3, 2010). In addition, our ratings on the class A notes address frequent changes in the capital structure, thereby maintaining rating stability.

STANDARD & POOR'S 17G-7 DISCLOSURE REPORT

SEC Rule 17g-7 requires an NRSRO, for any report accompanying a credit rating relating to an asset-backed security as defined in the Rule, to include a description of the representations, warranties, and enforcement mechanisms available to investors and a description of how they differ from the representations, warranties, and enforcement mechanisms in issuances of similar securities.

The Standard & Poor's 17g-7 Disclosure Report included in this credit rating report is available at <http://standardandpoorsdisclosure-17g7.com>.

RELATED CRITERIA AND RESEARCH

Related Criteria

- Global Methodology And Assumptions For Assessing The Credit Quality Of Securitized Consumer Receivables, Oct. 9, 2014
- Global Framework For Cash Flow Analysis Of Structured Finance Securities, Oct. 9, 2014
- Global Framework For Assessing Operational Risk In Structured Finance Transactions, Oct. 9, 2014

- Standard & Poor's National And Regional Scale Mapping Tables, Sept. 30, 2014
- National And Regional Scale Credit Ratings, Sept. 22, 2014
- Counterparty Risk Framework Methodology And Assumptions, June 25, 2013
- Asset Isolation And Special-Purpose Entity Criteria--Structured Finance, May 7, 2013
- Methodology: Credit Stability Criteria, May 3, 2010
- Understanding Standard & Poor's Rating Definitions, June 3, 2009

Related Research

- All Ratings Raised In South African ABS Transaction Bayport Securitisation (RF) Following Review Under New Criteria, March 13, 2015
- Ratings On South Africa Affirmed; Outlook Stable, Dec. 12, 2014
- European Structured Finance Scenario And Sensitivity Analysis 2014: The Effects Of The Top Five Macroeconomic Factors, July 8, 2014
- Global Structured Finance Scenario And Sensitivity Analysis: Understanding The Effects Of Macroeconomic Factors On Credit Quality, July 2, 2014

RATINGS LIST

Bayport Securitisation (RF) Ltd.
ZAR6.059 Billion Asset-Backed Notes

Class	Rating	Amount (mil. ZAR)
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Rating Assigned

Class A (BYA49U)	zaA+ (sf)	65
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Ratings Affirmed

Class A (BAYA01)	zaA+ (sf)
Class A (BAYA04)	zaA+ (sf)
Class A (BAYA05)	zaA+ (sf)
Class A (BAYA06)	zaA+ (sf)
Class A (BAYA07)	zaA+ (sf)
Class A (BAYA08)	zaA+ (sf)
Class A (BAYA09)	zaA+ (sf)
Class A (BAYA10)	zaA+ (sf)
Class A (BAYA11)	zaA+ (sf)
Class A (BAYA12)	zaA+ (sf)
Class A (BAYA13)	zaA+ (sf)
Class A (BAYA14)	zaA+ (sf)
Class A (BAYA15)	zaA+ (sf)
Class A (BAYA16)	zaA+ (sf)
Class A (BAYA17)	zaA+ (sf)
Class A (BAYA18)	zaA+ (sf)

Class A (BAYA19)	zaA+ (sf)
Class A (BAYA22)	zaA+ (sf)
Class A (BAYA23)	zaA+ (sf)
Class A (BAYA24)	zaA+ (sf)
Class A (BAYA25)	zaA+ (sf)
Class A (BAYA26)	zaA+ (sf)
Class A (BAYA27)	zaA+ (sf)
Class A (BAYA29)	zaA+ (sf)
Class A (BAYA30)	zaA+ (sf)
Class A (BAYA31)	zaA+ (sf)
Class A (BAYA32)	zaA+ (sf)
Class A (BAYA33)	zaA+ (sf)
Class A (BAYA34)	zaA+ (sf)
Class A (BAYA35)	zaA+ (sf)
Class A (BAYA36)	zaA+ (sf)
Class A (BAYA37)	zaA+ (sf)
Class A (BAYA39)	zaA+ (sf)
Class A (BAYA41)	zaA+ (sf)
Class A (BAYA42)	zaA+ (sf)
Class A (BAYA43)	zaA+ (sf)
Class A (BAYA44)	zaA+ (sf)
Class A (BAYA45)	zaA+ (sf)
Class A (BAYA47)	zaA+ (sf)
Class A (BAYA48)	zaA-1 (sf)

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