The Pakistan Credit Rating Agency Limited

# Rating Report

## Soneri Bank Limited

**Report Contents**



**Rating History**

| Dissemination Date | Long Term Rating | Short Term Rating | Outlook | Action | Rating Watch |
|---|---|---|---|---|---|
| 25-Jun-2022 | AA- | A1+ | Stable | Maintain | - |
| 25-Jun-2021 | AA- | A1+ | Stable | Maintain | - |
| 25-Jun-2020 | AA- | A1+ | Stable | Maintain | - |
| 19-Dec-2019 | AA- | A1+ | Stable | Maintain | - |
| 19-Jun-2019 | AA- | A1+ | Stable | Maintain | - |
| 20-Dec-2018 | AA- | A1+ | Stable | Maintain | - |
| 26-Sep-2018 | AA- | A1+ | Stable | Maintain | - |
| 14-Jun-2018 | AA- | A1+ | Stable | Maintain | - |
| 15-Dec-2017 | AA- | A1+ | Stable | Maintain | - |
| 16-Jun-2017 | AA- | A1+ | Stable | Maintain | - |

### Rating Rationale and Key Rating Drivers

The ratings reflect Soneri Bank's maintained business profile as reflected by system share in terms of deposits (end-Dec21: 1.7%, end-Dec20: 1.8%). SNBL's customer deposits observed growth of ~13%, where CASA recorded further improvement (CY21: ~70%; CY20: ~69%). Going forward enhanced deposit mobilization will remain vital in maintaining system share. Net income witnessed an increase of 18.9% YoY attributable to lower provisioning and impairment charge. Sustainability in net mark up income & non-markup income and continued enhancement in non-fund based exposure are important for future years. Advance book recorded marginal uptick, whereas, infection ratio declined (CY21: 5.9%; CY20: 6.2%), owing to marginal decline in NPLs. The Investment book has expanded significantly by 31% YOY, dominated by investments in PIBs. Going forward, the strategy is to strengthen the existing good relationships and digital platform by offering various unique solutions to its customers. Pakistan's economy has gone through several varied phases in last two years due to the COVID19 pandemic. Banking sector continued to flourish with high profitability. Going forward, the macro-economic environment is beset with myriad challenges due to heightened interest rate, tightening of demand, rupee depreciation and higher inflation. This has repercussions for all segments of the economy. The Bank's Tier-I ratio stands at 12.23% as at end-Dec21. Total CAR stands at 13.8% (CY20: 17%). With dilution recorded in CAR of the bank, prudent capital management remains essential.

The rating is a function of bank's ability to maintain its market position in the banking industry while strengthening its overall risk profile. Bringing efficiency in operational structure is important for long term growth. In the comparative landscape, adding granularity to deposits and advances is critical. Meanwhile, a sustainable increase in system share and consequent profitability would be ratings positive.

**Disclosure**

| | |
|---|---|
| **Name of Rated Entity** | Soneri Bank Limited |
| **Type of Relationship** | Solicited |
| **Purpose of the Rating** | Entity Rating |
| **Applicable Criteria** | Methodology \| Financial Institution Rating(Jun-21),Criteria \| Correlation Between Long-term & Short-term Rating Scales(Jun-21),Criteria \| Rating Modifiers(Jun-21) |
| **Related Research** | Sector Study \| Commercial Bank(Jun-22) |
| **Rating Analysts** | Sehar Fatima \| sehar.fatima@pacra.com \| +92-42-35869504 |

## Profile

**Structure** Soneri Bank Limited (SNBL), incorporated as a public limited company, commenced operations as a Scheduled Commercial Bank in 1991.

**Background** Soneri Bank's registered office is situated at 2nd Floor, 307-Upper Mall Scheme, Lahore; while its central office is located at 10th Floor, PNSC Building, M.T. Khan Road, Karachi.

**Operations** The Bank is engaged in provision of banking and financial services. At end-Mar22, The Bank operates with 367 (CY21: 367) branches including 35 Islamic banking branches, 15 Islamic banking windows, and 1 sub branch in Pakistan.

## Ownership

**Ownership Structure** The Feerasta Family - sponsors of the Rupali Group, own 65.04% stake of the Bank; mainly through three trusts and individuals of the sponsor family. Other shareholders mainly include NBP which through NIT holds 9.31% stake. The remaining stake 25.65% is widely spread among financial institutions, and general public.

**Stability** Ownership structure of the Bank is seen as stable as no ownership changes are expected in near future. Majority stake will rest with the Feerasta family.

**Business Acumen** The Feerasta Family has been associated with some other businesses, since last few decades. Their business acumen is considered good.

**Financial Strength** Given that Soneri is the flagship business of sponsors, willingness to support the Bank in case the need arises is considered high.

## Governance

**Board Structure** The overall control of the Bank vests with eight-member board of directors (BoD), including the CEO. Three of the board members are nominees of Feerasta family. There are two independent directors on board, namely Mr. Jamil Hassan Hamdani & Ms. Naveen Salim Merchant and one NIT nominee director, Mr. Manzoor Ahmed.

**Members' Profile** The board members carry extensive professional experience in banking and other sectors. The BoD provides an overall guideline in managing risks associated with the Bank's operations and strategic direction.

**Board Effectiveness** There are six board committees which assist the board in effective oversight of the Bank's overall operations on relevant matters.

**Financial Transparency** KPMG Taseer Hadi & Co., Chartered Accountants have expressed an unqualified opinion on the financial statement for the year ended 31st December 2021. SNBL has an Internal Audit function which reports to the Board Audit Committee in line with the Code of Corporate Governance.

## Management

**Organizational Structure** Overall operations have been divided into thirteen functions and organized into Northern, Central and Southern regions for effective management and control.

**Management Team** SNBL's management team comprises of experienced individuals. Mr. Muhtashim Ahmad Ashai joined the Bank as CEO in Apr-20. He is a seasoned Banker and carries over 28 years of banking experience. He is supported by Deputy CEO (formerly Executive Director) - Mr. Amin A. Feerasta – who has been associated with the Bank since 1999.

**Effectiveness** SNBL has nine management committees in place; all headed by the CEO. These committees ensure the efficiency of Bank's overall operations.

**MIS** The Bank has deployed 'Temenos T24' as its Core Banking System in CY18. More recently, the Bank made substantial investments to add value to its risk management framework by purchasing software from AFS solutions as replacement of SAS solutions, also upgraded its data center and disaster recovery solutions.

**Risk Management Framework** The risk management policy covers all major types of risks and is formulated in line with regulatory guidelines. SNBL's Risk Management Committee ensures that risk exposures are maintained within acceptable levels.

## Business Risk

**Industry Dynamics** Pakistan's economy has gone through several varied phases in last two years. It was deeply impacted by the magnitude of the COVID19 pandemic. The economic activity revived afterwards and Pakistan posted a GDP growth rate of ~4.0% in FY21 after a contraction in economy of -0.4% in FY20 (GDP growth figures were revised after base year was changed from FY05-06 to FY15-16). Banking sector continues to flourish with high profitability. Banking sector weightage is approximately ~25% of the KSE 100 index. Total banking assets posted growth of ~19% YoY whilst investments surged by 21% YoY to PKR ~14.4trln (end-Dec20: PKR ~11.9trln). Gross Advances of the sector recorded growth (23%) to stand at PKR ~10.9trln (end-Dec20: PKR ~8.8trln). Non-performing loans witnessed slight uptick of 4% to PKR ~860bln. Capital Adequacy Ratio stood at 16.7% (regulatory requirement of 11.5%). During CY21, banking sector deposits enhanced to PKR ~21.6trln (grew by ~17%). Hence, ADR rationalized to 47% (end-Dec20: ~45%). Net profitability of the sector recorded at PKR ~267bln (CY20: PKR ~244bln); up 9% YoY. However, growth of equity base of the sector recorded meagre uptick of 0.8% YoY attributable to handsome dividend payout.

**Relative Position** SNBL, a small sized Bank, holds a customer deposit base of PKR 334bln at end-Dec21 (CY20: PKR 295bln). The market share of deposits of the Bank inched down to 1.7% (CY20: 1.8%).

**Revenues** During CY21, SNBL's NIMR witnessed marginal increase of 2.6% YoY to stand at PKR 10.9bln (CY20: PKR 10.65bln), with Markup income witnessing a decrease of 12% YoY to stand at PKR 37.1bln (CY20: PKR 42.2bln). Subsequently, Asset yield of the Bank inched down to 8% (CY20: 10.6%). Hence, Bank's spread declined to 2.6% (CY20: 3.2%). During 1QCY22, NIMR increased by 5.8% YoY to stand PKR 2.87bln (1QCY21: PKR 2.72bln). However, spread stood at 2.5%.

**Performance** During CY21, non-mark-up income increased considerably by 12.7% to stand at PKR 4.29bln (CY20: PKR 3.80bln) mainly due to higher fee and commission income (CY21: PKR 2,074mln; CY20: PKR 1,775mln). Non-markup expenses inclined by 12.9% YoY to stand at PKR 10.19bln (CY20: PKR 9bln). Consequently, non-markup expenses to total income increased to 66.9% (CY20: 62.4%). Net profit increased by 19% and stood at PKR 2.8bln (CY20: PKR 2.4bln). During 1QCY22, Net profit recorded at 543mln (1QCY21: PKR 782bln) with 31% decrease YoY.

**Sustainability** Moving ahead, the Bank intends to expand its branch network to assist outreach further – during CY21, 27 Branches opened including 15 Islamic banking windows. The Profitability stream is stable and supports the equity position. The management's focus is to improve the Bank's sustained market share while remaining compliant to minimum capital requirements. Focus remains on building a stable deposit base, improving customer experience, and optimizing returns through growth strategies and by enforcing a strong cost discipline across the Bank. During CY21, Focus of the Bank remained tilted toward digitalization of processes to deliver best services to consumer. CY21 has been a year of strategy refresh for the Bank as the management looked forward to build on core strengths.

## Financial Risk

**Credit Risk** At end-Dec21, SNBL's net advances have inched up by 1%. Bank's ADR was reported at 41.1% (end-Dec20: 47.6%). Non performing advances of the Bank recorded marginal attrition to stand at PKR 10.3bln (CY20: 10.7bln). Subsequently, infection ratio decreased to 5.9% (end-Dec20: 6.2%) owing to low provisioning. At end-Mar22, advances recorded at PKR 160.8bln. Infection ratio remained stagnant to 5.9%.

**Market Risk** As at end-Dec21, SNBL has an investment book of PKR 327bln (end-Dec20: PKR 250bln) with majorly skewed towards Government securities (99.1%) – including GOP Ijarah Sukuks & Bai Muajjal with GOP. SNBL's exposure in T-bills inched down to 40.9% (end-Dec20: 41%), while exposure in PIBs inched upto 52.5% (end-Dec20: 52%). This trend has been witnessed throughout the industry due to incline in interest rates during the year. During 1QCY22, investment mix slightly changed but remained tilted towards PIBs.

**Liquidity And Funding** As at end-Dec21, customer deposits increased to PKR 334bln (end-Dec20: PKR 295bln), up by 13%. CA and SA proportion stood at 27.2% (end-Dec20: 26.6%) and 42.6% (end-Dec20: 42.1%). At end-Mar22, customer deposit increased to PKR 313bln. CA and SA proportion stood at 33.1% and 40.7% respectively.

**Capitalization** At end-Dec21, the Bank reported CAR of 13.8%, comprising of Tier I capital (12.2%), remaining compliant with the minimum requirement by SBP. At end Mar22, risk weighted assets increased by 1.3%, resulting in CAR of 13%.

PKR mln

| Soneri Bank Limited<br>Listed Public Limited | Mar-22<br>3M | Dec-21<br>12M | Dec-20<br>12M | Dec-19<br>12M |
|---|---|---|---|---|
| **A BALANCE SHEET** | | | | |
| 1 Total Finances - net | 162,014 | 166,661 | 165,910 | 205,051 |
| 2 Investments | 357,748 | 323,892 | 245,953 | 173,618 |
| 3 Other Earning Assets | 32,100 | 22,113 | 8,957 | 1,383 |
| 4 Non-Earning Assets | 62,008 | 64,455 | 61,888 | 59,200 |
| 5 Non-Performing Finances-net | 2,132 | 2,366 | 2,637 | 3,288 |
| **Total Assets** | 616,002 | 579,489 | 485,345 | 442,541 |
| 6 Deposits | 360,034 | 403,037 | 345,499 | 302,083 |
| 7 Borrowings | 212,658 | 131,578 | 94,015 | 102,700 |
| 8 Other Liabilities (Non-Interest Bearing) | 22,972 | 23,239 | 22,675 | 17,544 |
| **Total Liabilities** | 595,664 | 557,853 | 462,188 | 422,327 |
| **Equity** | 20,337 | 21,636 | 23,157 | 20,214 |
| **B INCOME STATEMENT** | | | | |
| 1 Mark Up Earned | 12,371 | 37,133 | 42,228 | 38,790 |
| 2 Mark Up Expensed | (9,492) | (26,196) | (31,573) | (30,864) |
| 3 Non Mark Up Income | 841 | 4,290 | 3,807 | 2,861 |
| **Total Income** | 3,720 | 15,228 | 14,463 | 10,787 |
| 4 Non-Mark Up Expenses | (2,791) | (10,191) | (9,026) | (8,129) |
| 5 Provisions/Write offs/Reversals | (11) | 112 | (1,402) | 589 |
| **Pre-Tax Profit** | 917 | 5,149 | 4,035 | 3,247 |
| 6 Taxes | (375) | (2,295) | (1,634) | (1,341) |
| **Profit After Tax** | 543 | 2,854 | 2,400 | 1,906 |
| **C RATIO ANALYSIS** | | | | |
| **1 Performance** | | | | |
| Net Mark Up Income / Avg. Assets | 1.9% | 2.1% | 2.3% | 1.9% |
| Non-Mark Up Expenses / Total Income | 75.0% | 66.9% | 62.4% | 75.4% |
| ROE | 10.3% | 12.7% | 11.1% | 10.0% |
| **2 Capital Adequacy** | | | | |
| Equity / Total Assets (D+E+F) | 3.3% | 3.7% | 4.8% | 4.6% |
| Capital Adequacy Ratio | 13.0% | 13.8% | 17.0% | 15.8% |
| **3 Funding & Liquidity** | | | | |
| Liquid Assets / (Deposits + Borrowings Net of Repo) | 53.7% | 63.3% | 61.8% | 45.6% |
| (Advances + Net Non-Performing Advances) / Deposits | 44.7% | 41.1% | 47.6% | 67.8% |
| CA Deposits / Deposits | 33.1% | 27.2% | 26.6% | 24.5% |
| SA Deposits / Deposits | 40.7% | 42.6% | 42.1% | 38.8% |
| **4 Credit Risk** | | | | |
| Non-Performing Advances / Gross Advances | 5.9% | 5.9% | 6.2% | 5.1% |
| Non-Performing Finances-net / Equity | 10.5% | 10.9% | 11.4% | 16.3% |

## Credit Rating

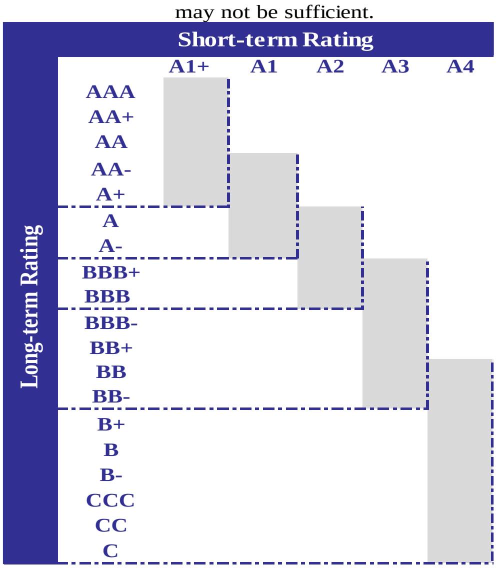
Credit rating reflects forward-looking opinion on credit worthiness of underlying entity or instrument; more specifically it covers relative ability to honor financial obligations. The primary factor being captured on the rating scale is relative likelihood of default.

### Long-term Rating

| Scale | Definition |
|---|---|
| AAA | **Highest credit quality.** Lowest expectation of credit risk. Indicate exceptionally strong capacity for timely payment of financial commitments |
| AA+<br>AA<br>AA- | **Very high credit quality.** Very low expectation of credit risk. Indicate very strong capacity for timely payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events. |
| A+<br>A<br>A- | **High credit quality.** Low expectation of credit risk. The capacity for timely payment of financial commitments is considered strong. This capacity may, nevertheless, be vulnerable to changes in circumstances or in economic conditions. |
| BBB+<br>BBB<br>BBB- | **Good credit quality.** Currently a low expectation of credit risk. The capacity for timely payment of financial commitments is considered adequate, but adverse changes in circumstances and in economic conditions are more likely to impair this capacity. |
| BB+<br>BB<br>BB- | **Moderate risk.** Possibility of credit risk developing. There is a possibility of credit risk developing, particularly as a result of adverse economic or business changes over time; however, business or financial alternatives may be available to allow financial commitments to be met. |
| B+<br>B<br>B- | **High credit risk.** A limited margin of safety remains against credit risk. Financial commitments are currently being met; however, capacity for continued payment is contingent upon a sustained, favorable business and economic environment. |
| CCC<br>CC<br>C | **Very high credit risk.** Substantial credit risk "CCC" Default is a real possibility. Capacity for meeting financial commitments is solely reliant upon sustained, favorable business or economic developments. "CC" Rating indicates that default of some kind appears probable. "C" Ratings signal imminent default. |
| D | Obligations are currently in default. |

### Short-term Rating

| Scale | Definition |
|---|---|
| A1+ | The highest capacity for timely repayment. |
| A1 | A strong capacity for timely repayment. |
| A2 | A satisfactory capacity for timely repayment. This may be susceptible to adverse changes in business, economic, or financial conditions. |
| A3 | An adequate capacity for timely repayment. Such capacity is susceptible to adverse changes in business, economic, or financial |
| A4 | The capacity for timely repayment is more susceptible to adverse changes in business, economic, or financial conditions. Liquidity may not be sufficient. |




*The correlation shown is indicative and, in certain cases, may not hold.*

**Outlook (Stable, Positive, Negative, Developing)** Indicates the potential and direction of a rating over the intermediate term in response to trends in economic and/or fundamental business/financial conditions. It is not necessarily a precursor to a rating change. 'Stable' outlook means a rating is not likely to change. 'Positive' means it may be raised. 'Negative' means it may be lowered. Where the trends have conflicting elements, the outlook may be described as 'Developing'.

**Rating Watch** Alerts to the possibility of a rating change subsequent to, or, in anticipation of some material identifiable event with indeterminable rating implications. But it does not mean that a rating change is inevitable. A watch should be resolved within foreseeable future, but may continue if underlying circumstances are not settled. Rating watch may accompany rating outlook of the respective opinion.

**Suspension** It is not possible to update an opinion due to lack of requisite information. Opinion should be resumed in foreseeable future. However, if this does not happen within six (6) months, the rating should be considered withdrawn.

**Withdrawn** A rating is withdrawn on a) termination of rating mandate, b) the debt instrument is redeemed, c) the rating remains suspended for six months, d) the entity/issuer defaults., or/and e) PACRA finds it impractical to surveill the opinion due to lack of requisite information.

**Harmonization** A change in rating due to revision in applicable methodology or underlying scale.

**Surveillance.** Surveillance on a publicly disseminated rating opinion is carried out on an ongoing basis till it is formally suspended or withdrawn. A comprehensive surveillance of rating opinion is carried out at least once every six months. However, a rating opinion may be reviewed in the intervening period if it is necessitated by any material happening.

**Note.** This scale is applicable to the following methodology(s):

**Entities**
a) Broker Entity Rating
b) Corporate Rating
c) Financial Institution Rating
d) Holding Company Rating
e) Independent Power Producer Rating
f) Microfinance Institution Rating
g) Non-Banking Finance Companies (NBFCs) Rating

**Instruments**
a) Basel III Compliant Debt Instrument Rating
b) Debt Instrument Rating
c) Sukuk Rating

**Disclaimer:** PACRA has used due care in preparation of this document. Our information has been obtained from sources we consider to be reliable but its accuracy or completeness is not guaranteed. PACRA shall owe no liability whatsoever to any loss or damage caused by or resulting from any error in such information. Contents of PACRA documents may be used, with due care and in the right context, with credit to PACRA. Our reports and ratings constitute opinions, not recommendations to buy or to sell.

## Regulatory and Supplementary Disclosure
(Credit Rating Companies Regulations,2016)

**Rating Team Statements**
(1) Rating is just an opinion about the creditworthiness of the entity and does not constitute recommendation to buy, hold or sell any security of the entity rated or to buy, hold or sell the security rated, as the case may be | Chapter III; 14-3-(x)

2) **Conflict of Interest**
i. The Rating Team or any of their family members have no interest in this rating | Chapter III; 12-2-(j)
ii. PACRA, the analysts involved in the rating process and members of its rating committee, and their family members, do not have any conflict of interest relating to the rating done by them | Chapter III; 12-2-(e) & (k)
iii. The analyst is not a substantial shareholder of the customer being rated by PACRA [Annexure F; d-(ii)] Explanation: for the purpose of above clause, the term “family members” shall include only those family members who are dependent on the analyst and members of the rating committee

**Restrictions**
(3) No director, officer or employee of PACRA communicates the information, acquired by him for use for rating purposes, to any other person except where required under law to do so. | Chapter III; 10-(5)
(4) PACRA does not disclose or discuss with outside parties or make improper use of the non-public information which has come to its knowledge during business relationship with the customer | Chapter III; 10-7-(d)
(5) PACRA does not make proposals or recommendations regarding the activities of rated entities that could impact a credit rating of entity subject to rating | Chapter III; 10-7-(k)

**Conduct of Business**
(6) PACRA fulfills its obligations in a fair, efficient, transparent and ethical manner and renders high standards of services in performing its functions and obligations; | Chapter III; 11-A-(a)
(7) PACRA uses due care in preparation of this Rating Report. Our information has been obtained from sources we consider to be reliable but its accuracy or completeness is not guaranteed. PACRA does not, in every instance, independently verifies or validates information received in the rating process or in preparing this Rating Report | Clause 11-(A)(p).
(8) PACRA prohibits its employees and analysts from soliciting money, gifts or favors from anyone with whom PACRA conducts business | Chapter III; 11-A-(q)
(9) PACRA ensures before commencement of the rating process that an analyst or employee has not had a recent employment or other significant business or personal relationship with the rated entity that may cause or may be perceived as causing a conflict of interest; | Chapter III; 11-A-(r)
(10) PACRA maintains principal of integrity in seeking rating business | Chapter III; 11-A-(u)
(11) PACRA promptly investigates, in the event of a misconduct or a breach of the policies, procedures and controls, and takes appropriate steps to rectify any weaknesses to prevent any recurrence along with suitable punitive action against the responsible employee(s) | Chapter III; 11-B-(m)

**Independence & Conflict of interest**
(12) PACRA receives compensation from the entity being rated or any third party for the rating services it offers. The receipt of this compensation has no influence on PACRA´s opinions or other analytical processes. In all instances, PACRA is committed to preserving the objectivity, integrity and independence of its ratings. Our relationship is governed by two distinct mandates i) rating mandate - signed with the entity being rated or issuer of the debt instrument, and fee mandate - signed with the payer, which can be different from the entity
(13) PACRA does not provide consultancy/advisory services or other services to any of its customers or to any of its customers’ associated companies and associated undertakings that is being rated or has been rated by it during the preceding three years unless it has adequate mechanism in place ensuring that provision of such services does not lead to a conflict of interest situation with its rating activities; | Chapter III; 12-2-(d)
(14) PACRA discloses that no shareholder directly or indirectly holding 10% or more of the share capital of PACRA also holds directly or indirectly 10% or more of the share capital of the entity which is subject to rating or the entity which issued the instrument subject to rating by PACRA; | Reference Chapter III; 12-2-(f)
(15) PACRA ensures that the rating assigned to an entity or instrument is not be affected by the existence of a business relationship between PACRA and the entity or any other party, or the non-existence of such a relationship | Chapter III; 12-2-(i)
(16) PACRA ensures that the analysts or any of their family members shall not buy or sell or engage in any transaction in any security which falls in the analyst’s area of primary analytical responsibility. This clause shall, however, not be applicable on investment in securities through collective investment schemes. | Chapter III; 12-2-(l)
(17) PACRA has established policies and procedure governing investments and trading in securities by its employees and for monitoring the same to prevent insider trading, market manipulation or any other market abuse | Chapter III; 11-B-(g)

**Monitoring and review**
(18) PACRA monitors all the outstanding ratings continuously and any potential change therein due to any event associated with the issuer, the security arrangement, the industry etc., is disseminated to the market, immediately and in effective manner, after appropriate consultation with the entity/issuer; | Chapter III | 18-(a)
(19) PACRA reviews all the outstanding ratings on semi-annual basis or as and when required by any creditor or upon the occurrence of such an event which requires to do so; | Chapter III | 18-(b)
(20) PACRA initiates immediate review of the outstanding rating upon becoming aware of any information that may reasonably be expected to result in downgrading of the rating; | Chapter III | 18-(c)
(21) PACRA engages with the issuer and the debt securities trustee, to remain updated on all information pertaining to the rating of the entity/instrument; | Chapter III | 18-(d)
**Probability of Default**
(22) PACRA´s Rating Scale reflects the expectation of credit risk. The highest rating has the lowest relative likelihood of default (i.e, probability). PACRA´s transition studies capture the historical performance behavior of a specific rating notch. Transition behavior of the assigned rating can be obtained from PACRA´s Transition Study available at our website. (www.pacra.com). However, actual transition of rating may not follow the pattern observed in the past | Chapter III | 14-(f-VII)
**Proprietary Information**
(23) All information contained herein is considered proprietary by PACRA. Hence, none of the information in this document can be copied or, otherwise reproduced, stored or disseminated in whole or in part in any form or by any means whatsoever by any person without PACRA’s prior written consent