

STRUCTURED FINANCE

Product Offering Terms

Asset Backed Securities

ISIN: GE000A0TX2J9

7 July 2008

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TRANSACTION IN BRIEF

USD 600,000 senior debt obligations issued by JSC Auto Finance (a special purpose company) are backed by a diversified portfolio of 100 individual cash receivables, with an average receivable of USD 6,000 and maturity of 2 months. Each receivable is secured by a car with a market value, on average, 2-times the receivable amount. The cash proceeds from receivables are used to pay monthly coupons on senior obligations and to purchase new receivables under similar terms, during the period of 21 months – the defined revolving period of the transaction. The following to the revolving period, is the 3 month accumulation period, during which, new receivables are not purchased and the cash is accumulated in a bank account to be used to repay senior debt obligations at their maturity. The senior-debt obligations are credit-enhanced by a cash reserve fund with an initial balance of USD 30,000. The excess cash during the transaction period will accumulate in the reserve fund. Bondholder has an option to hedge EUR/USD currency exchange rate risk, offered by the transaction manager – CFS Investment Bank.

TERMS

Issuer:	JSC Auto Finance
Issue Manager:	CFS Investment Bank
Instrument:	Debt Obligation
Status:	Senior
Issue Volume:	600,000
Currency:	USD
Issue Date:	7 July 2008
Final Maturity Date:	7 July 2010
National Identification №	GE2700603170
Optionality:	Putable
Denomination:	100
Issue Price:	100%
Redemption:	100%
Interest:	20%
Interest Distribution:	Monthly
Offering / Placement:	Public Offering
Rating:	None
Form of the Notes:	Registered, Dematerialized
Secondary Market:	Admitted to the Georgian Stock Exchange
Taxation:	10% at the source*
Governing Law:	Georgian Law

* As of January 1 2009 interest will not be taxed at the source if bonds will satisfy 25% free float test