

**Announcement: FTPYME TDA CAM 2, FTA**

**Moody's updates on impact of CAM's long-term rating downgrade on Spanish ABS and RMBS**

Madrid, October 28, 2008 -- On 5 August 2008, Moody's Investors Service downgraded Caja de Ahorros del Mediterráneo (CAM) to A2/P-1/C, negative outlook from A1/P-1/C+, under review for possible downgrade (the "Downgrade").

This update relates to the ratings assigned to notes issued by the following Spanish ABS and RMBS issuers (the "Issuers"), each of which is a party to a swap agreement (a "Swap Agreement") with CAM as counterparty:

RMBS Issuers with CAM as swap counterparty:

- TDA CAM 1, FTA; TDA CAM 2, FTA; TDA CAM 3, FTA; TDA CAM 4 FTA; TDA CAM 5, FTA; TDA CAM 6, FTA; and TDA CAM 7, FTA.

ABS Issuers with CAM as swap counterparty:

- FTPYME TDA CAM 2, FTA; and FTPYME TDA CAM 4, FTA.

Pursuant to the Swap Agreements, CAM is required to take suitable remedial action within 10 or 30 days, depending on the transaction, of its rating being downgraded below A1. Following the Downgrade, CAM has chosen to take remedial action by way of posting collateral. Moody's understands that CAM has transferred cash collateral to the treasury account of each Issuer and that such collateral is re-sized on a weekly basis in an amount equal to the mark-to-market value of the relevant Swaps Agreement.

The present collateral arrangements are not governed by a market-standard credit support documents. Therefore, they do not comply with Moody's criteria for de-linking swap counterparty risks ("Moody's Framework") -- see Moody's Report, "Framework for De-Linking Hedge Counterparty Risks from Global Structured Finance Cashflow Transactions", May 2007. Further, the Swap Agreements do not contain certain other provisions that are necessary to fully comply with Moody's Framework.

Moody's understands that CAM intends to amend the Swap Agreements to achieve substantial compliance with Moody's Framework, including the insertion of provisions to (i) regulate the collateral arrangements (by way of a market-standard "Anexo III" or "CSA" depending on the transaction) and (ii) require CAM to take steps to find a replacement counterparty or guarantor upon downgrade of its ratings below A3/P-2.

Over the coming weeks, Moody's will closely monitor the situation and in case the anticipated amendments to the Swap Agreements are not put in place, review the impact of the limited de-linkage between CAM and each Issuer. Moody's will update the market accordingly to its findings.

- Last rating action date for TDA CAM 1, FTA: no rating action since closing in March 2003.
- Last rating action date for TDA CAM 2, FTH: no rating action since closing in July 2003.
- Last rating action date for TDA CAM 3, FTH: no rating action since closing in January 2004.
- Last rating action date for TDA CAM 4, FTH: no rating action since closing in February 2005.
- Last rating action date for TDA CAM 5, FTA: no rating action since closing in October 2005.
- Last rating action date for TDA CAM 6, FTA: no rating action since closing in March 2006.
- Last rating action date for TDA CAM 7, FTA: no rating action since closing in October 2006.
- Last rating action date for FTPYME TDA CAM 2, FTA: no rating action since closing in November 2004.

- Last rating action date for FTPYME TDA CAM 4, FTA: no rating action since closing in December 2006.

Moody's monitors FTPYME TDA CAM 2 FTA and FTPYME TDA CAM 4, as described in the report: "Moody's Approach to Rating Granular SME Transactions in Europe, Middle East and Africa", June 2007. Moody's monitors the RMBS transactions mentioned above as described in the reports: "Moody's Approach to Rating Spanish RMBS: The "Milan" Model", March 2005, and "Moody's Updated Methodology for Rating Spanish RMBS", July 2008.

For more information on these transactions, please visit Moody's website at [www.moodys.com](http://www.moodys.com) or contact our Client Service Desk in London (+44-20-7772 5454).

Frankfurt  
Marie-Jeanne Kerschkamp  
Managing Director  
Structured Finance Group  
Moody's Deutschland GmbH  
JOURNALISTS: 44 20 7772 5456  
SUBSCRIBERS: 44 20 7772 5454

Madrid  
Maria Turbica Manrique  
Analyst  
Structured Finance Group  
Moody's Investors Service Espana, S.A.  
JOURNALISTS: 44 20 7772 5456  
SUBSCRIBERS: 44 20 7772 5454

© Copyright 2008, Moody's Investors Service, Inc. and/or its licensors including Moody's Assurance Company, Inc. (together, "MOODY'S"). All rights reserved.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY COPYRIGHT LAW AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, such information is provided "as is" without warranty of any kind and MOODY'S, in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability or fitness for any particular purpose of any such information. Under no circumstances shall MOODY'S have any liability to any person or entity for (a) any loss or damage in whole or in part caused by, resulting from, or relating to, any error (negligent or otherwise) or other circumstance or contingency within or outside the control of MOODY'S or any of its directors, officers, employees or agents in connection with the procurement, collection, compilation, analysis, interpretation, communication, publication or delivery of any such information, or (b) any direct, indirect, special, consequential, compensatory or incidental damages whatsoever (including without limitation, lost profits), even if MOODY'S is advised in advance of the possibility of such damages, resulting from the use of or inability to use, any such information. The credit ratings and financial reporting analysis observations, if any, constituting part of the information contained herein are, and must be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell or hold any securities. NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER. Each rating or other opinion must be weighed solely as one factor in any investment decision made by or on behalf of any user of the information contained herein, and each such user must accordingly make its own study and evaluation of each security and of each issuer and guarantor of, and each provider of credit support for, each security that it may consider purchasing, holding or selling.

MOODY'S hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MOODY'S have, prior to assignment of any rating, agreed to pay to MOODY'S for appraisal and rating services rendered by it fees ranging from \$1,500 to approximately \$2,400,000. Moody's Corporation (MCO) and its wholly-owned credit rating agency subsidiary, Moody's Investors Service (MIS), also maintain policies and procedures to address the independence of MIS's ratings and rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold ratings from MIS and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually on Moody's website at [www.moodys.com](http://www.moodys.com) under the heading "Shareholder Relations - Corporate Governance - Director and Shareholder Affiliation Policy."