

Bulletin:

S&P Comments On Six Hipocat Deals Exposed To An Ineligible Derivative Counterparty

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MADRID (Standard & Poor's) Nov. 21, 2008—Standard & Poor's Ratings Services said today that it is reviewing the counterparty exposure risk in six Hipocat Spanish residential mortgage-backed securities (RMBS) transactions with exposure to Caixa d'Estalvis de Catalunya as derivative counterparty (see list below). This follows the publication of our revised 'A-2' rated derivatives counterparties methodology.

On Oct. 22, we revised our methodology for 'A-2' rated derivative counterparties. This stated that, absent any other structural mitigants, we would no longer maintain 'AAA' ratings on securitizations and other structured finance-related debt instruments that depend on the performance of derivatives counterparties that are rated 'A-2' or equivalent (for more information see "S&P Comments On European Securitizations Exposed To 'A-2' Rated Counterparties").

Among the various roles Caixa Catalunya performs, the bank acts as interest rate swap counterparty provider in all these transactions. In our opinion, Caixa Catalunya does not have, in the light of the new criteria, sufficient credit quality to act as swap counterparty in 'AAA' rated transactions.

We expect to place ratings on the six Hipocat transactions on CreditWatch negative if actions to establish sufficient mitigants to the counterparty exposure are not, in our view, at an advanced stage. In assessing whether the

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ratings on the Hipocat deals will be placed on CreditWatch negative, we will consider the magnitude of the counterparty exposure and any structural and cash flow features that may offset the exposure.

The related criteria article referenced above, titled "Methodology: Updated Counterparty Criteria For Derivatives: Eligibility Of 'A-2' Counterparties Removed In 'AAA' Transactions," is available to subscribers of RatingsDirect, the real-time Web-based source for Standard & Poor's credit ratings, research, and risk analysis, at www.ratingsdirect.com. The article can also be found on Standard & Poor's Web site at www.standardandpoors.com. Alternatively, call one of the following Standard & Poor's numbers: Client Support Europe (44)20-7176-7176; London Press Office (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow (7) 495-783-4017.

TRANSACTION LIST

Hipocat 7, Fondo de Titulizacion de Activos
€1.4 Billion Mortgage-Backed Floating-Rate Notes

Hipocat 8, Fondo de Titulizacion de Activos
€1.5 Billion Mortgage-Backed Notes

Hipocat 9, Fondo de Titulizacion de Activos
€1.016 Billion Residential Mortgage-Backed Floating-Rate Notes

Hipocat 10, Fondo de Titulizacion de Activos
€1.525 Billion Residential Mortgage-Backed Floating-Rate Notes

Hipocat 11, Fondo de Titulizacion de Activos
€1.628 Billion Floating-Rate Notes

Hipocat 15, Fondo de Titulizacion de Activos
€1.2 Billion Mortgage-Backed Floating-Rate Notes

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