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July 15, 2008

Presale:

BBVA-8 FTPYME, Fondo de Titulización de Activos

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Presale:

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€1.1 Billion Floating-Rate Notes

This presale report is based on information as of July 15, 2008. The credit ratings shown are preliminary. This report does not constitute a recommendation to buy, hold, or sell securities. Subsequent information may result in the assignment of initial credit ratings that differ from the preliminary credit ratings. For further ratings information, 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.

Class	Prelim. rating*	Prelim. amount (Mil. €)	Available credit support (%)	Interest	Legal final maturity
Series A1¶	AAA	528.3	14.60	Three-month EURIBOR plus a margin	Dec. 16, 2041
SeriesA2 (G)§	AAA	461.7	14.60	Three-month EURIBOR plus a margin	Dec. 16, 2041
B	A	71.5	8.10	Three-month EURIBOR plus a margin	Dec. 16, 2041
C	BBB	38.5	4.60	Three-month EURIBOR plus a margin	Dec. 16, 2041

*The rating on each series of securities is preliminary as of July 15, 2008, and subject to change at any time. Initial credit ratings are expected to be assigned on the closing date subject to a satisfactory review of the transaction documents and legal opinion, and completion of a corporate overview. Standard & Poor's ratings address timely interest and ultimate principal. ¶Three classes of notes will be issued: A, B, and C. The class A notes will comprise series A1 and series A2 (G) notes. The class B and C notes will not be split into series. §The series A2 (G) notes will be protected by a guarantee from the Kingdom of Spain.

Transaction Participants	
Originator	Banco Bilbao Vizcaya Argentaria, S.A.
Arrangers	Banco Bilbao Vizcaya Argentaria, S.A. and Europea de Titulización S.G.F.T., S.A.
Trustee	Europea de Titulización S.G.F.T., S.A.
Servicer	Banco Bilbao Vizcaya Argentaria, S.A.
Interest swap counterparty	Banco Bilbao Vizcaya Argentaria, S.A.
GIC and bank account provider	Banco Bilbao Vizcaya Argentaria, S.A.
Paying agent	Banco Bilbao Vizcaya Argentaria, S.A.
Underwriters	Banco Bilbao Vizcaya Argentaria, S.A.
Subordinated loan provider	Banco Bilbao Vizcaya Argentaria, S.A.
Startup loan provider	Banco Bilbao Vizcaya Argentaria, S.A.

Supporting Ratings

Institution/role	Ratings
Banco Bilbao Vizcaya Argentaria, S.A. as servicer, GIC and bank account provider, subordinated loan provider, startup loan provider, and interest swap counterparty	AA/Stable/A-1+
Kingdom of Spain as guarantor of the series A2 (G) notes	AAA/Stable/A-1+

Transaction Key Features*	
Expected closing date	July 2008

Transaction Key Features*(cont.)	
Collateral	Loans granted to Spanish SMEs
Principal outstanding (€)	1,343,333,288.53
Country of origination	Spain
Concentration	Largest 10 obligors (5.19% of provisional pool); regional concentration: Andalucia (16.91%), Madrid (15.85%), and Valencia (13.78%); industrial concentration: real estate and renting activities (18.63%), construction (12.53%) and wholesale commerce (9.47%). The five major industries represent 57.16% of the pool
Average current loan size balance (€)	234,356.82
Loan size range (€)	2,595.16 to 9,889,179.90
Weighted-average interest rate (%)	5.57
Arrears	At closing no loans will have arrears more than one month
Redemption profile	Amortizing (93.93%) and bullet (6.61%)
Excess spread at closing¶ (bps)	50
Cash reserve (%)	4.60

*Pool data as of July 2, 2008. ¶Available through the interest swap contract.

Transaction Summary

Standard & Poor's Ratings Services has assigned preliminary credit ratings to the floating-rate notes to be issued by BBVA-8 FTPYME Fondo de Titulización de Activos.

The originator is Banco Bilbao Vizcaya Argentaria, S.A. (BBVA), the second-largest Spanish banking group and the ninth-largest in the Eurozone by market capitalization. At closing, BBVA will sell to the issuer a €1.1 billion closed portfolio of secured and unsecured loans granted to Spanish SMEs based in Spain.

To fund this purchase, Europea de Titulización S.G.F.T., S.A., the trustee, will issue three classes of floating-rate, quarterly paying notes, on behalf of the issuer.

The guarantee program by the Kingdom of Spain was set up in late 1998 to promote access to a more diversified source of financing for the Spanish SME sector. The legal framework for the guarantee has been evolving and the latest amendments took place in April 2003.

The following conditions must be met to access the guarantee program:

- The lending entity must have signed an agreement with the Ministry of Economy.
- The assets to be securitized must not be lent to financial entities.
- The borrowers must comply with the definition of an SME as provided in the European Commission (EC) circular dated May 6, 2003.
- The assets to be securitized must have a maturity greater than one year.
- At least 80% of the portfolio to be securitized must be loans to SMEs.
- The tranche that benefits from the guarantee must be rated at least 'AA' without the guarantee.

The guarantee by the Kingdom of Spain can be drawn either for interest or principal payments on the class A2(G) notes as per the priority of payments, when available funds are insufficient.

Notable Features

This transaction will be the 10th SME transaction to be completed by BBVA of its loans to SME corporate clients. This securitization will comprise a mixed pool of underlying mortgage-backed and other guarantee assets.

The preliminary ratings on the notes reflect the subordination of the respective class of notes below them, the reserve fund, the presence of the interest rate swap (which provides excess spread of 50 bps), comfort provided by various other contracts, the rating on BBVA (AA/Stable/A-1+), and the downgrade language in all of that entity's roles, including that of servicer.

Strengths, Concerns, And Mitigating Factors

Strengths

- Credit enhancement adequately covers the various stresses applied to the transaction. Credit enhancement is provided by subordination, the available excess spread, the rating on the servicer, and the subordinated loan, which will fully fund the reserve fund on the closing date.
- BBVA is an experienced originator and servicer, with 10 SME transactions, one corporate loans CLO transaction, seven residential mortgage-backed securities (RMBS) transactions, one mortgage-backed securities (MBS) transaction, three auto loan transactions, three consumer loan transactions, a municipality transaction, and a leasing transaction.
- Of the pool, 45.9% represents mortgage loans which carry a higher level of recoveries.
- The swap structure will provide support to the rated notes. We have given credit for this in our cash flow analysis (see "Interest swap agreement").
- Principal amortization of the notes will be accelerated if there are loans more than 12 months past due. This will be done by using trapped excess spread and by the amount equivalent to the outstanding balance of those overdue loans.
- Good-quality historical information was provided to us.
- The series A2 (G) notes benefit from a guarantee provided by the Kingdom of Spain (AAA/Stable/A-1+).

Concerns and mitigating factors

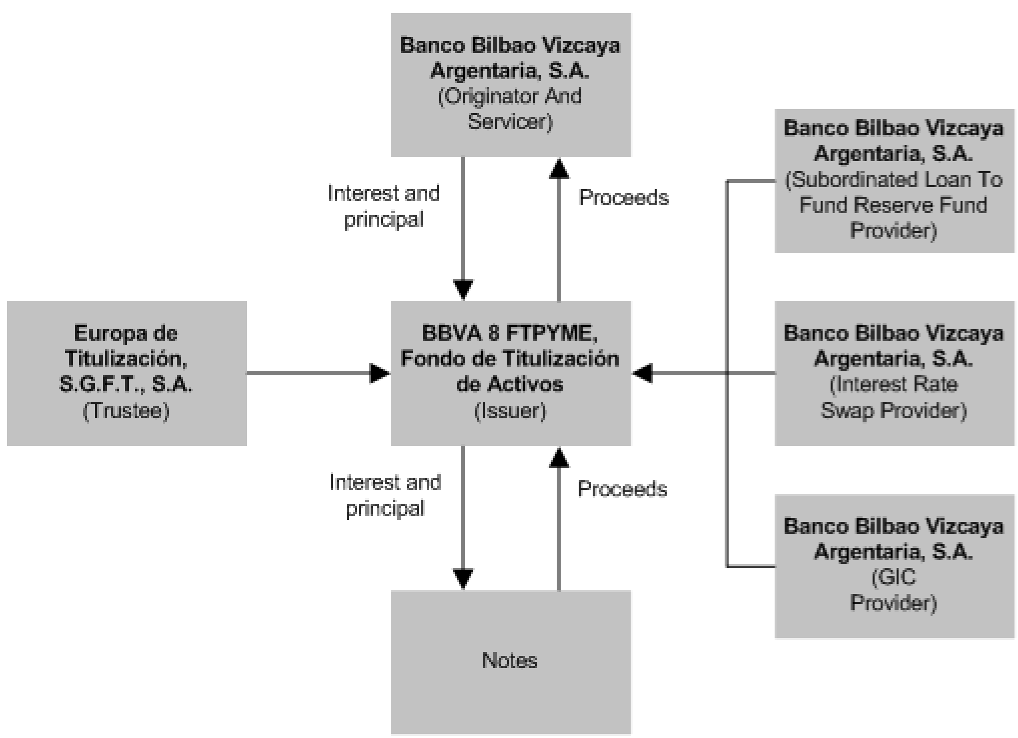
- There is borrower concentration risk, as the top 10 borrowers represent 5.19% of the provisional pool and the biggest borrower represents 0.74% of the provisional pool. Borrower concentrations were taken into account in the credit analysis stressing the default rates at each rating level.
- There is a limited geographical concentration risk as 60.22% of the provisional pool is concentrated in four regions: Andalucia (16.91%), Madrid (15.85%), Valencia (13.78%), and Catalonia (13.68%). Geographical concentrations were taken into account in the credit analysis stressing the default rates at each rating level.
- Industry concentration is also a concern with 31.16% of the preliminary pool comprising SMEs in the real estate and construction sectors. In particular, concerns arise in relation to the 14.11% of the provisional pool granted to developers, as these loans are likely to be the most vulnerable to real estate market performance fluctuations. The real estate sector is significant in the SME economy and none of these loans will imply construction risk for the issuer. We have taken into account industry concentration in our credit analysis.
- A percentage of the loans have a higher level of risk due to their amortization profile: 6.61% of the loans in the provisional pool follow a bullet amortization profile. Borrowers on this type of loan repay principal due in one

lump sum at maturity. We took into account loan amortization profiles in the credit and cash flow analysis.
- The originator will sweep collections no later than seven days from collection to the issuer's account, generating commingling risk. As long as BBVA is rated 'A-1+', the weekly sweep of collections will have no effect on commingling risk. If it were to be downgraded below 'A-2', BBVA would accelerate to daily sweeps to the issuer's account to partially mitigate commingling risk.

Transaction Structure

At closing, BBVA 8 FTPYME will fund the purchase of the closed portfolio by issuing three classes of notes through the trustee, Europea de Titulización S.G.F.T. (see chart 1).

Chart 1: BBVA 8 FTPYME, Fondo de Titulización de Activos Transaction Structure



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The issuer is not a separate entity at law, but holds a distinct and closed pool of assets available for distribution to the noteholders.

The issuer is a "fondo de titulización de activos" created for the sole purpose of purchasing the unsecured loans and the mortgage certificates from BBVA, issuing the notes, and carrying out related activities. The assets will be insulated from the insolvency of the originator and the trustee.

The principal and interest on the notes will be paid quarterly following a determined priority of payments. The transaction will feature some structural enhancements provided by the swap agreement, amortization of the notes, the reserve fund, and the servicing provided by BBVA.

The series A2 (G) notes will amortize sequentially to the series A1 notes unless a breach of trigger occurs (see "Redemption of the notes"). As in other Spanish transactions, interest and principal from the underlying assets will be combined into a single priority of payments. A cumulative default ratio test will protect senior noteholders by subordinating the payment of junior interest further down the priority of payments.

Trustee Or "Sociedad Gestora"

Europea de Titulización S.G.F.T., as trustee, will, on the issuer's behalf, enter into certain contracts (such as GICs, a swap agreement, and subordinated credit facilities and loans). These contracts are needed to protect it against certain credit losses and liquidity shortfalls that are assumed to arise in connection with the holding of the mortgage participations and the unsecured loans.

In this transaction, the main responsibilities of the trustee will be to create the issuer, issue the notes on the issuer's behalf, calculate the interest rate on the notes, notify noteholders of any relevant information applicable to the notes and mortgage participations, and organize the annual audit.

Banco Bilbao Vizcaya Argentaria, S.A.

The ratings on Spain-based BBVA reflect the bank's strong franchise in its core markets, above-average financial performance, and conservative management. Its good performance and sound credit risk management somewhat offset higher reliance on emerging markets and a relatively lower degree of diversification compared with its international peers.

BBVA enjoys excellent operating profitability across all business units, owing to its successful creation of solid franchises in various countries, with strong positions in all banking and ancillary businesses. The bank benefits from outstanding efficiency, driven by a strict cost control culture and a sales-focused organization.

With a strong position in commercial banking, BBVA has a well-diversified business mix in all countries where it is present. It is the second-largest bank in Spain, and boasts a clear leading and highly profitable position in Mexico, and good performance at its other smaller Latin American subsidiaries.

BBVA is now increasing its diversification by building a cohesive franchise in the southern U.S. Its last acquisition, Compass Bancshares, Inc. (A+/Positive/A-1) in 2007, is a well-managed bank, which BBVA should quickly integrate. We also expect BBVA to remain cautious in its strategy in the U.S. to minimize the potential problems caused by a slowdown in the U.S. economy.

BBVA's well-diversified risk profile, conservative lending culture, and strong loan loss reserves place it in a favorable position to face a slowdown in the Spanish economy and real estate sector. In Mexico, BBVA has upgraded its risk management and is benefiting from lower industry risk. We expect the Mexican economy to maintain its long-term economic growth despite a U.S. economic slowdown. Exposure to other smaller Latin American economies is substantially lower.

Capital ratios are satisfactory, reinforced by unrealized capital gains. Capital ratios have declined as a result of the Compass Bancshares' acquisition, but we expect BBVA to strengthen them throughout 2008. The bank's liquidity position is healthy.

Cash collection arrangements

BBVA, as servicer, collects the amounts due under the loans and transfers them no later than the second business day after the seventh calendar day. Its collections to the treasury account are held on the issuer's behalf with BBVA. The regularity of the cash sweep may be accelerated if BBVA's creditworthiness deteriorates and would be swept daily if its rating was lowered below 'A-2'. This partially mitigates the potential risk of funds being commingled within the originator's accounts.

The minimum rating required to be the bank account provider is 'A-1', so if BBVA is downgraded below 'A-1', remedy actions should be taken following our "Revised Framework For Applying Counterparty And Supporting Party Criteria" (see "Criteria Referenced").

Commingling reserve

To protect against commingling risk, if BBVA is downgraded below a short-term rating of 'A-2', then:

- Within 30 calendar days, the servicer should find an eligible guarantor with at least a short-term rating of 'A-1'. The guarantor should provide the issuer with a first-demand, unconditional, and irrevocable guarantee equal to the commingling reserve amount to be applied to pay any amounts the servicer fails to pay to the issuer for the loans. This amount, if required to be paid, would be deposited in an issuer bank account in accordance with the bank account and cash management agreements. We would expect to review the guarantee at the time the downgrade occurs; or
- Within 10 calendar days, the servicer should deposit in the issuer's bank account an amount equal to the commingling reserve amount to be applied to pay any amounts the servicer fails to pay the issuer for the loans.

Alternatively, we encourage the servicer to request our written confirmation that the ratings on the notes would not be adversely affected.

On the date this commingling reserve is required, the initial amount should be a sufficient proportion of the principal amount outstanding to avoid affecting the ratings on the notes.

Cash reserve

The originator will provide a subordinated loan of €50.6 million, which will fund the reserve fund at closing.

The reserve fund will be fixed for the first three years, and it will be able to amortize after this initial period. Its minimum required levels will be established at the minimum amount of:

- 4.6% of the initial balance of the notes; or
- The higher of 9.2% of the outstanding principal balance of the notes and 2.3% of the initial balance of the notes.

It will not amortize if, on a previous payment date, it was not at its required minimum level, or if the arrears ratio (three months past due) is greater than 1%. The reserve fund will be used to pay interest and principal on the notes if funds are insufficient.

Interest swap agreement

On the issuer's behalf, the trustee will enter into a swap agreement with BBVA. This swap will provide protection against adverse interest rate resetting and movements. The issuer will pay the swap counterparty the total of interest actually received from the loans.

The issuer will receive from the swap counterparty an amount equivalent to the weighted-average coupon on the notes plus 50 bps per year on the outstanding balance of the performing loans (up to three months in arrears), and the servicing fee amount.

This type of swap not only provides a hedge for the interest rate risk, but it also provides credit support to the transaction, given that it covers the substitute servicing fee, the weighted-average coupon on the notes, and it also guarantees a spread of 50 bps in the transaction.Documents will provide that if the swap provider is downgraded below 'A-1', it would become an ineligible counterparty and within 10 working days must collateralize 125% of the contract's mark to market complying with our requirements. The downgraded swap provider would then have to:

- Within 60 calendar days, find a replacement with a short-term rating of at least 'A-1'; or
- Within 60 calendar days, find a guarantor with a short-term rating of at least 'A-1'

If an ineligible counterparty is not replaced within the remedy period, the ratings on the notes may be lowered to levels that could be supported by the counterparty's then-current rating. The amount of collateral will be taken into consideration in analyzing the transaction after the counterparty is downgraded. Our analysis assumes that a replacement of the ineligible counterparty will occur. However, given the bespoke nature of this swap, it may be more difficult to find a replacement. Therefore, the market should understand and consider the risk of downgrade of the transaction, if a replacement is not found.

Any counterparty replacement or guarantee will be subject to rating confirmation. All the costs of the remedies will be borne by the downgraded counterparty.

Redemption of the notes

Amortization will occur for the:

- Series A1 notes, from the first payment date until fully amortized;
- Series A2(G) notes, once the series A1 notes are fully amortized
- Class B notes, once the series A1 and A2(G) notes are fully redeemed; and
- Class C notes, once the class B notes are fully redeemed.

The available amortization fund on each payment date will be equal to the balance of the capital repayment fund.

The capital repayment fund, on each payment date, will be the difference between:

- The principal outstanding balance under all the classes of notes; and
- The principal outstanding balance of all outstanding non-doubtful loans (no more than 12 months in arrears).

. If the outstanding balance of delinquent loans exceeds 3% of the outstanding balance of non-doubtful loans, the series A1 and A2(G) notes will amortize pro rata.

The conditions for the pro rata amortization of the class B and C notes are that they will amortize pro rata with the series A1 and A2(G) notes if:

- The ratio of the aggregate balance of delinquent loans to the aggregate balance of non-doubtful loans is below 1.25% for the class B notes and below 1.00% for the class C notes;
- The total outstanding principal balance of the class B and C notes represents at least 13% and 7% of the outstanding principal balance of all the notes;
- The cash reserve is at the required amount after the previous payment date; and
- The total outstanding balance of the non-doubtful SME loan portfolio is equal to or greater than 10% of the initial balance of the SME loan portfolio.

Priority Of Payments

On each quarterly interest payment date, the issuer will pay in arrears the interest due to the noteholders. To make the payments, the issuer's available funds include the proceeds of the interest swap, the reserve fund, and, if necessary, principal received under the loans and any other proceeds received in connection with the loans.

All interest and principal received can be mixed to pay principal and interest due under the notes in the following order:

- Fees;
- Administration fees;
- Net payments under the swap agreement (other than swap termination payments due to a default or breach of contract by the swap counterparty);
- Interest on the series A1 and A2(G) notes;
- Interest on the class B notes if not deferred;
- Interest on the class C notes if not deferred;
- Amortization of the series A1, A2(G) notes, and the class B and C notes;
- Interest on the class B notes if deferred;
- Interest on the class C notes if deferred;
- Replenishment of cash reserve;
- Swap termination payments, if any, when the issuer is not the defaulting party;
- Interest and principal payments under the subordinated loan;
- Interest payments and principal repayments under the subordinated start up loan; and
- Any remaining margin paid back to the issuer.

A trigger will ensure that in a stressful economic environment, the more senior notes are amortized before interest on the subordinated class of notes is paid.

Interest on the class B and C notes will be subject to a deferral on a given payment date to a lower position in the priority of payments in the following situations.

Class B notes

If the cumulative ratio of defaulted loans (outstanding balance of the loans when qualified as defaulted divided by the balance of the pool at closing) is greater than 12%, interest on the class B notes will pay in a lower position in the priority of payments, until the series A1 and A2 (G) notes, and class B and C notes redeem.

Class C notes

If the cumulative ratio of defaulted loans (outstanding balance of the loans when qualified as defaulted divided by the balance of the pool at closing) is greater than 8% interest on the class C notes will pay in a lower position in the priority of payments, until the series A1 and A2 (G) notes, and class B notes redeem.

Collateral Description

As of July 2, 2008, the provisional pool comprised 5,732 secured and unsecured loans, and the total number of borrowers was 5,016. The pool was originated between December 2004 and March 2008, and the weighted-average seasoning is 12.24 months.

Of the outstanding amount of the pool, 45.90% is secured by mortgages over properties and commercial premises in Spain. Table 1 shows the pool breakdown.

Table 1

Pool Breakdown

Type of guarantee	Outstanding balance (€)	% of preliminary pool
Operating assets	33,746,202.63	2.51
Rustic land	24,851,728.80	1.85
Garages	4,430,831.97	0.33
Retail spaces	89,154,220.66	6.64
Agiculture warehouse	1,984,799.55	0.15
Industrial warehouse	232,402,441.04	17.30
Office in business center	35,556,563.23	2.65
Office in residential building	8,950,928.67	0.67
First home	44,176,850.77	3.29
Developments	24,100,740.79	1.79
Second home	23,217,497.87	1.73
Land for commercial purposes	57,745,891.62	4.30
Land for residential purposes	36,206,510.85	2.70
No mortgage guarantee	726,808,080.08	54.10
Total	1,343,333,288.53	

Loans in the preliminary pool can follow three different amortization profiles. 77.98% of the loans follow a normal amortizing schedule, while a further 15.41% follow a predefined amortization schedule where the borrower pays the same amount of principal for the rest of the term of the loan. The remaining 6.61% of the pool are loans with a bullet amortization schedule, where the entire principal is paid at maturity (see table 2).

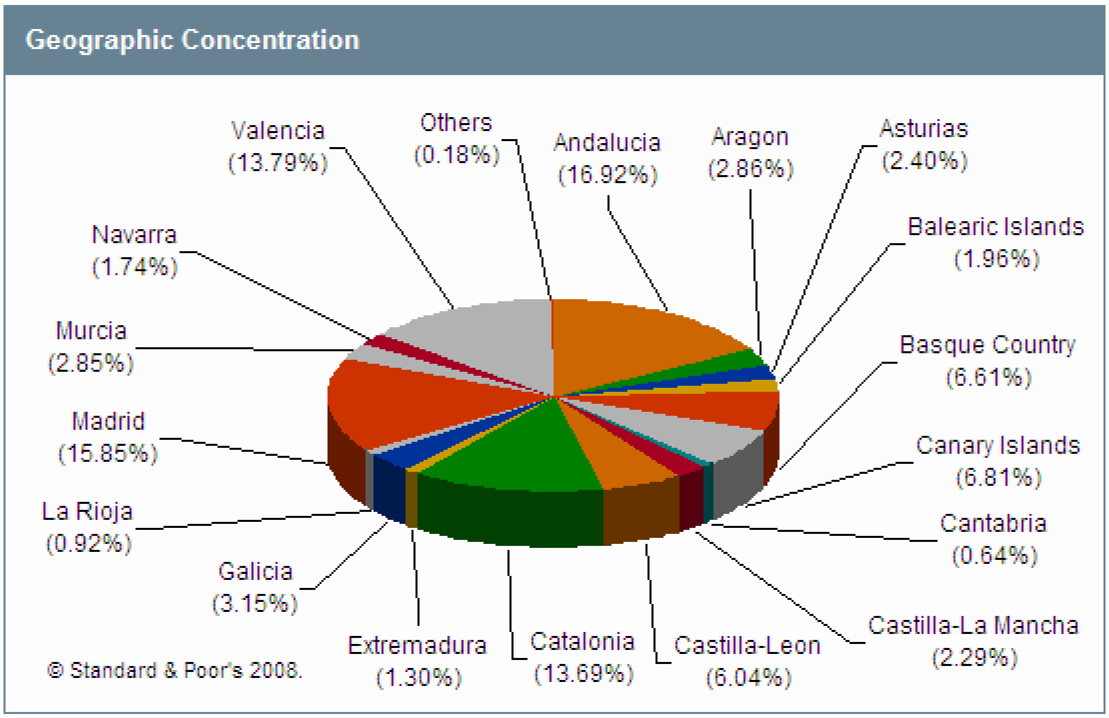
Table 2

Amortization

Amortization profile	Outstanding balance (€)	% of preliminary pool
Bullet amortization	88860106.28	6.61
Pre-established amortization	207005521.1	15.41
Normal amortizing	1047467661	77.98

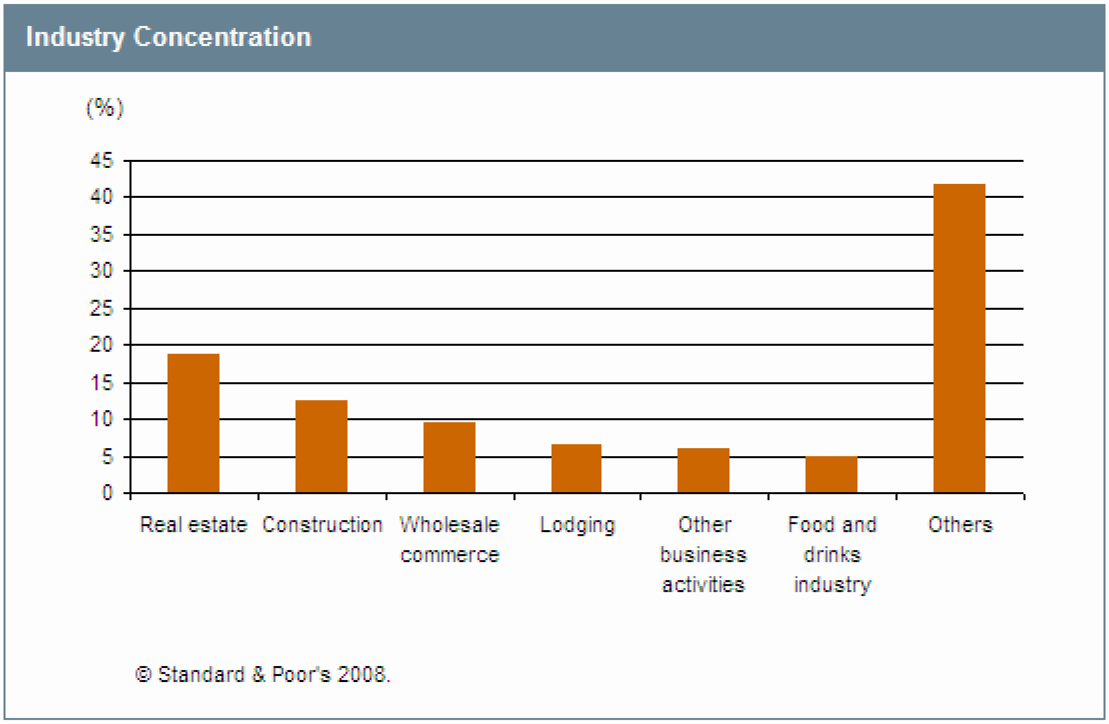
The pool has concentration at the obligor level. The largest obligor represents 0.74% of the provisional pool and the largest 10 obligors represent 5.19%. Of the pool, 36.66% is more than 12 months' seasoned. The weighted-average remaining life of the pool is 89 months, with 43.06% of the pool maturing within five years. The pool is exposed to different Spanish regions (see chart 2), and at closing the pool will have no loans with arrears of more than one month.

Chart 2



The largest industry concentration is real estate, which represents 18.63% of the pool (see chart 3). The second-highest concentration is construction (12.53%), followed by wholesale commerce (9.47%). The five major industries represent 57.16% of the pool.

Chart 3



Of the pool, 92.09% is indexed to floating rates, with nearly 92.02% of the total outstanding amount of the pool referenced to EURIBOR, MIBOR (Madrid interbank offered rate), and IRPH (see table 3). The assets indexed to floating rates have a weighted-average interest rate of 5.57% and the weighted-average margin on the floating pool is 78.39 bps over the various indices.

Table 3

Reference Index

Reference index	Outstanding balance (€)	% of preliminary pool
One-year EURIBOR/MIBOR	344273584.7	25.63
One-month EURIBOR/MIBOR	17987438.14	1.34
10-month EURIBOR/MIBOR	181440	0.01
11-month EURIBOR/MIBOR	5529570.95	0.41
Two-month EURIBOR/MIBOR	16773885.18	1.25
Three-month EURIBOR/MIBOR	306353196.2	22.81
Four-month EURIBOR/MIBOR	10268037.25	0.76
Five-month EURIBOR/MIBOR	1438583.62	0.11
Six-month EURIBOR/MIBOR	495877870.3	36.91
Seven-month EURIBOR/MIBOR	382475.33	0.03
Nine-month EURIBOR/MIBOR	58298.2	0.00
EURIBOR/MIBOR HIPOTECARIO	37076745.4	2.76
Fixed	106293233.9	7.91
MERCADO HIPOT. BANCOS	27865.12	0.00
MERCADO HIPOT. CONJUNTO ENTID.	811064.16	0.06

Table 3

Reference Index (cont.)		
TOTAL	1343333289	100

Credit Analysis

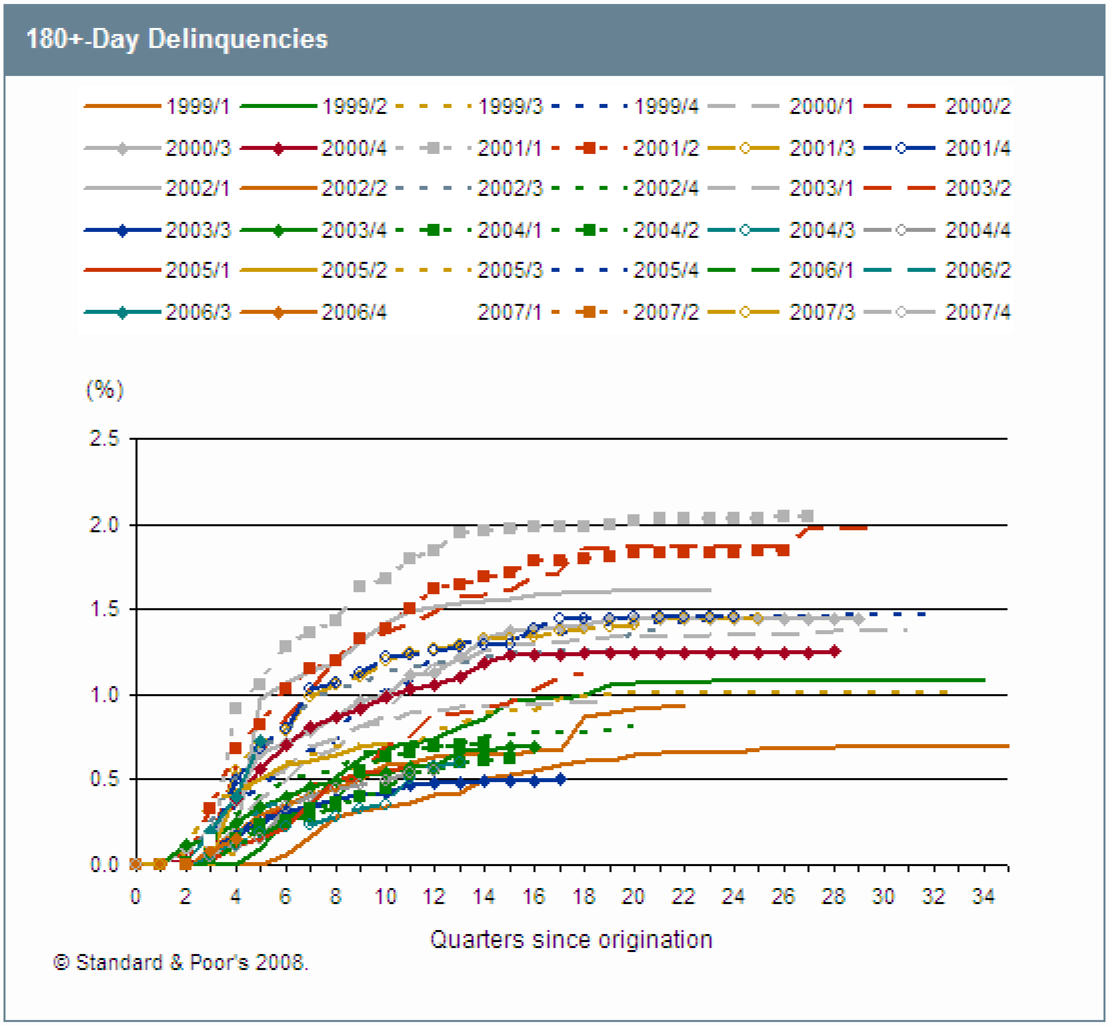
We have conducted an actuarial analysis on historical data provided by the originator to assess the pool's credit risk, following the methodology explained in "Securitizing Spanish-Originated Loans to Small and Midsize Enterprises" (see "Related Articles").

With the historical data provided by the originator, we can determine a foreclosure probability and a loss rate at each rating level. The product of these two variables gives an estimate of the required loss protection during the life of the collateral in the absence of additional mitigating factors. The higher the targeted rating, the higher the required enhancement level.

Delinquency rate

In the transaction, the loss is recognized as soon as an agreement defaults if it is more than 12 months in arrears. The calculation of the cumulated default base-case assumption was based on the historical quarterly data provided by BBVA (see chart 4) and the different concentrations shown in the pool, e.g., the percentage of developers, percentage of bullet loans, and industry concentration. The base case was set at 2.05% for the non-developer borrowers.

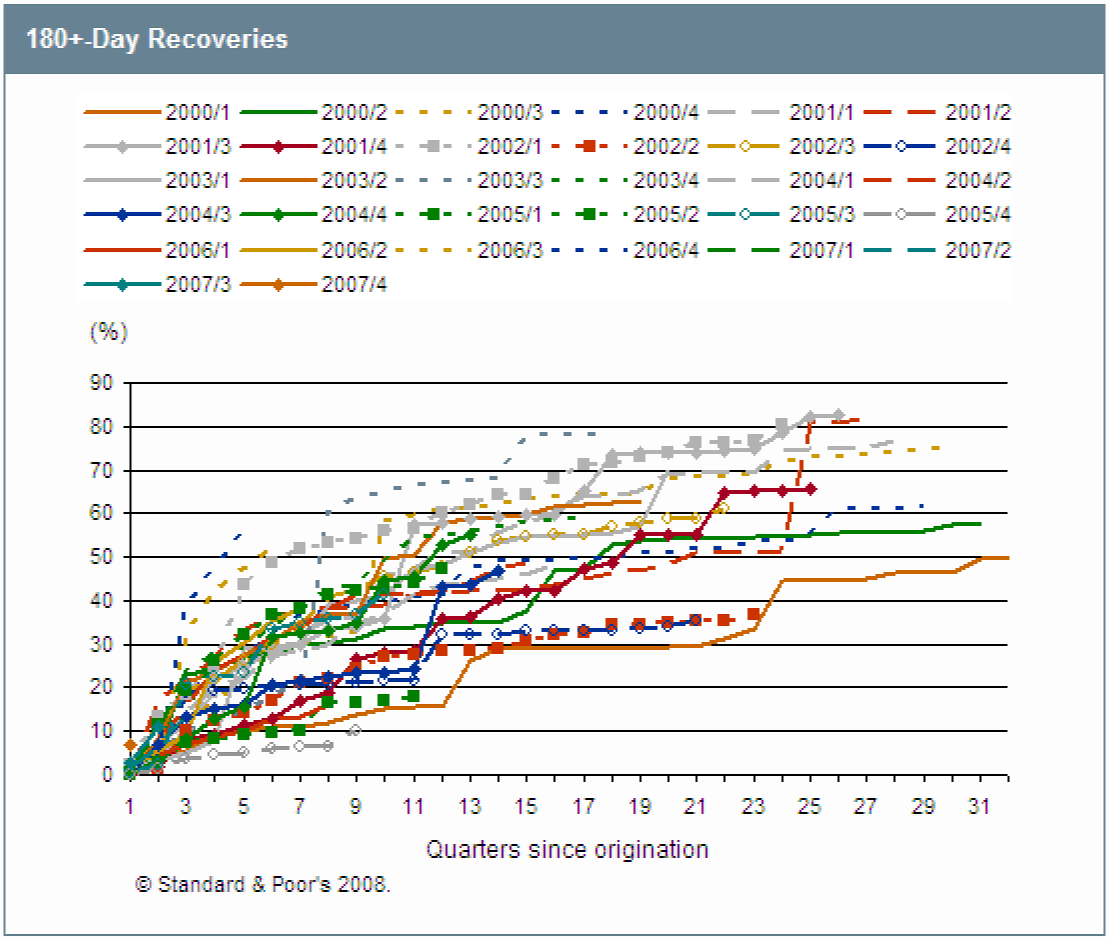
Chart 4



Recoveries

Chart 5 shows the historical levels of recoveries from the default (described as 180-day arrears) by quarter since origination.

Chart 5



Cash Flow Analysis

Prepayments

Prepayments correspond to the early exercise of the purchase option by loans and credit receivables. We stressed the annual prepayment rate up to 24.0% and down to 0.5%.

Yield

We modeled the yield of the transaction at 50 bps over EURIBOR, guaranteed by the swap agreement.

Commingling

We did not model any commingling stress within the structure, as there is downgrade language that sets up the foundation of a contingent commingling reserve if the servicer is downgraded below 'A-2' (see "Commingling reserve").

Timing of Defaults

We assume defaults occur periodically in amounts calculated as a percentage of the default rate. Table 4 shows the timing of defaults.

Table 4

Timing Of Defaults

Percentage of default rate (equal)	Months when applied	Percentage of default rate (slow)	Months when applied	Percentage of default rate (fast)	Months when applied
1/3	1	5	7	30	1
1/3	13	5	13	30	7
1/3	25	10	19	20	13
—	—	20	25	10	19
—	—	30	31	5	25
—	—	30	37	5	31

Timing of recoveries

For this transaction, we assume that the issuer would regain any recoveries 42 months after a payment default. The value of recoveries at the 'AAA' level will be 100% minus the loss severity assumed at each rating level.

Interest and prepayments rate

We have modeled three interest rate scenarios—up, down, and flat—using both high and low prepayment assumptions. Interest rates were 5% at the time of modeling and were modeled to rise by 2% a month to a cap of 12% ("up" scenario) and a floor of 2% ("down" scenario).

Key Performance Indicators

We will maintain continual surveillance on the transaction until the notes mature or are otherwise retired. To do this, wewill analyze regular servicer reports detailing the performance of the underlying collateral, monitor supporting ratings, assess pool cuts, and make regular contact with the servicer to ensure that minimum servicing standards are sustained and that any material changes in the servicer's operations are communicated and assessed.

Key performance indicators for this transaction will include:

- Rating migration of the collateral and default levels;
- Different concentrations of the collateral;
- Collateral prepayment levels; and
- The evolution of the ratings on the supporting parties.

Criteria Referenced

- "Revised Framework For Applying Counterparty And Supporting Party Criteria" (published on May 8, 2007).
- "European Legal Criteria for Structured Finance Transactions" (published on March 23, 2005).
- "Global Interest Rate and Currency Swaps: Calculating the Collateral Required Amount" (published on Feb. 26, 2004).
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