

Rating On BBVA Empresas 4 Placed On CreditWatch Negative After Counterparty Criteria Update

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OVERVIEW

- On Dec. 6, 2010, we updated the criteria we use for assessing counterparty risk.
- The concept of counterparty replacement in a structured finance security is the overarching principle behind Standard & Poor's counterparty criteria.
- The most significant changes in the new criteria are the analytical components in a replacement framework, such as replacement and remedy language, replacement time frames, collateral posting levels, eligible collateral, and documentation.
- If an ineligible counterparty does not replace itself with an eligible counterparty and if, in our view, there are no mitigating factors, we would likely lower the rating on the supported securities.
- Based on our analysis under the updated criteria, we have placed on CreditWatch negative our rating on BBVA Empresas 4 class A notes.

MADRID (Standard & Poor's) Feb. 17, 2011--Standard & Poor's Ratings Services today placed on CreditWatch negative its 'AAA (sf)' credit rating on BBVA Empresas 4 Fondo de Titulización de Activos' class A notes, following an update to its criteria for assessing counterparty and supporting obligations (collectively counterparty risk) published on Dec. 6, 2010.

This class of notes is included in a complete list of European public ratings affected by the counterparty criteria, which is available in "EMEA Structured Finance CreditWatch Actions In Connection With Revised Counterparty Criteria,"

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published Jan. 18, 2011.

We intend to resolve all of these CreditWatch placements by the transition date of July 18, 2011.

RELATED CRITERIA AND RESEARCH

- Ratings On 1,977 EMEA Structured Finance Tranches Placed On CreditWatch Negative After Counterparty Criteria Update, Jan. 18, 2011
- EMEA Structured Finance CreditWatch Actions In Connection With Revised Counterparty Criteria, Jan. 18, 2011
- Counterparty And Supporting Obligations Update, Jan. 13, 2011
- Advance Notice Of Proposed Criteria Change: Covered Bonds Methodology And Assumptions For Counterparty Risk, Jan. 13, 2011
- Standard & Poor's Updates Counterparty And Supporting Obligations Criteria, Reviews Application To Covered Bonds, Jan. 13, 2011
- CreditWatch Placements Likely Following Application Of New Counterparty Criteria To European Structured Finance, Dec. 23, 2010
- Credit FAQ: Standard & Poor's Explains Process For Applying Updated Counterparty Criteria, Dec. 14, 2010
- Counterparty And Supporting Obligations Methodology And Assumptions, Dec. 6, 2010
- Recent Global Financial Disruption Reinforces Counterparty Risk As A Key Securitization Exposure, Nov. 4, 2010

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