

## 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,"

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

Related articles are available on RatingsDirect. Criteria, presales, servicer evaluations, and ratings information can also be found on Standard & Poor's Web site at [www.standardandpoors.com](http://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) 495-783-4011.

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