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# HIPOCAT 9, FONDO DE TITULIZACIÓN DE ACTIVOS

## REGISTRATION DOCUMENT AND SECURITIES NOTE MORTGAGE-BACKED SECURITIES

**1,016,000,000 Euro**

Series A1	200,000,000 euro	Aaa/AAA/AAA
Series A2a	500,000,000 euro	Aaa/AAA/AAA
Series A2b	236,200,000 euro	Aaa/AAA/AAA
Series B	22,000,000 euro	Aa2/AA+/AA
Series C	18,300,000 euro	A2/A+/A
Series D	23,500,000 euro	Baa3/BBB+/BBB-
Series E	16,000,000 euro	Caa3/CC/-

**Backed by mortgage loans originated by**



**Paying Agent**



**Lead Managers and Underwriters**



**Underwriters**  
MERRILL LYNCH      BARCLAYS BANK PLC      LEHMAN BROTHERS



**Fondo de Titulización created and managed by**



Prospectus registered in the registers of the CNMV at November 24, 2005

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The present document constitutes a prospectus (the “**Prospectus**”) registered with the Comisión Nacional del Mercado de Valores, in accordance with the provisions of Law 24/1988 of 28 July of the Securities Market, in its prevailing version (“**Securities Market Law**”), Royal Decree 1310/2005, of admission to listing and trading in official secondary markets, of public offerings and the prospectus required to such effects, (“**Royal Decree 1310/2005**”) and Regulation (EC) N° 809/2004 dated 29 April 2004 (“**Regulation 809/2004**”), and comprises:

- a) (a) A description of the main risk factors associated with the issue, with the securities and with the assets backing the issue (“**Risk Factors**”);
- b) (b) a registration document, prepared in accordance with Annex VII of Regulation 809/2004 (“**Registration Document**”);
- c) (c) a Securities Note, prepared in accordance with Annex XIII of Regulation 809/2004 (“**Securities Note**”);
- d) an additional module to the Securities Note, prepared in accordance with Annex VIII of Regulation 809/2004 (“**Additional Module**”)
- e) a glossary of terms (the “**Glossary of Terms**”).

## **RISK FACTORS**

### **1. RISKS DERIVING FROM THE LEGAL STATUS AND BUSINESS OF THE ISSUER**

#### **1.1 Nature of the Issuer and obligations of the Gestora**

The Issuer constitutes a separate capital base without legal personality that, in accordance with Royal Decree 926/1998, is managed by a management company (*sociedad gestora*, hereinafter, the “Gestora”). The Issuer will only meet its financial liabilities to its creditors with its capital.

The Gestora will carry out for the Issuer those functions attributed to it in Royal Decree 926/1998, and protect the interests of the holders of the Securitisation Bonds as manager of third party funds, without the existence of a bondholders syndicate. The capacity to defend the bondholders’ interests will thus depend on the resources of the Gestora.

#### **1.2 Mandatory substitution of the Gestora**

In accordance with article 19 of Royal Decree 926/1998, if bankruptcy proceedings are declared for the Gestora, without prejudice to the effects described below of such proceedings, it shall find an investment management company to replace it. Whenever in the circumstances envisaged four months have elapsed since the event requiring the substitution occurs without a new management company being found that is prepared to assume responsibility for the management function, the Issuer will be liquidated early and the securities it has issued will be redeemed, in accordance with the provisions of the Deed of Establishment and of this Prospectus.

#### **1.3 Insolvency of the Gestora, of the Seller and of other entities**

Insolvency proceedings for any of the parties involved (whether CAIXA CATALUNYA, the Gestora or any other counterparty of the Issuer) could affect their contractual relations with the Issuer as provided in the Spanish Insolvency Law 22/2003 of 9 July 2003 (*Ley Concursal*).

Thus, in the event that insolvency proceedings are brought for the Gestora it must be substituted in accordance with the provisions of this Prospectus and with articles 18 and 19 of Royal Decree 926/1998. Without prejudice to the above, in the event that the Gestora is subject to insolvency proceedings, the assets belonging to the Issuer held by the Gestora, and over which it has no right of use, collateral or retention —except cash because of its fungible nature— that exist in the asset base will be considered under the control of the Issuer, and must be delivered by the insolvency administrators at the request of the Issuer. Except in the event of breach of contract between the parties, the structure of the securitisation transaction contemplated does not allow that cash be part of the asset base of the Manager, as amounts payable to the Issuer must be paid into the accounts opened in the name of the Issuer (initially the Treasury Account, with the possibility of there also existing a Cash Surplus Account) by the Gestora (which when opening accounts acts not just as agent of the Issuer but as its legal representative, so that the Issuer would benefit from an absolute right of asset segregation on the terms provided in article 80 of the *Ley Concursal*).

If insolvency proceedings are brought for CAIXA CATALUNYA, the issue and assignment of the Mortgage Transfer Certificates may be subject to return only if an action for such return is pursued in which fraud is demonstrated to have existed in the issue and assignment in accordance with the provisions of part four of the Fifth Additional Provision of Law 3/1994 of 14 April 1994.

Furthermore, in the event of insolvency proceedings for CAIXA CATALUNYA under the Insolvency Law 22/2003 of 9 July 2003, the Issuer, acting through the Gestora, will have the right of withdrawal in relation to the multiple security certificate representing the Mortgage Transfer Certificates, on the terms provided in articles 80 and 81 of the Insolvency Law. In addition, the Issuer, acting through the Gestora, will have the right to obtain from CAIXA CATALUNYA the amounts resulting from the Mortgage Transfer Certificates and from the Non-Mortgage Loans, given that those sums shall be considered property of the Issuer, through the Gestora, and will therefore be transferred to the Gestora on behalf of the Issuer. Nevertheless, it cannot be ruled out that said right of withdrawal



may not be exercised with respect to the funds handled by CAIXA CATALUNYA for the account and pursuant to the orders of the Issuer in its function as collections manager of the Mortgage Loans and with respect to the money on deposit in the Issuer's accounts held in CAIXA CATALUNYA, in both cases as at the date the insolvency proceedings were declared, due to the fungible nature of the money and the consequent asset confusion. The mechanisms mitigating this risk are described in sections 3.4.4.1 (Guaranteed Interest Reinvestment Agreement for the Treasury Account), 3.4.4.2 (Guaranteed Interest Reinvestment Agreement for the Repayment Account), 0 (Collection by the Issuer of payments relating to the assets) and 3.7.1.6 (Collections management) of the Additional Module.

#### **1.4 Limitation of action against the Gestora.**

The bondholders and remaining ordinary creditors of the Issuer will have no recourse against the Gestora, other than from non-performance of its functions or non-compliance with the provisions of the Deed of Establishment and this Prospectus.

## **2 RISKS DERIVING FROM THE SECURITIES**

### **2.1 Liquidity.**

There is no guarantee that a minimum volume or frequency of Securitisation Bond transactions will be forthcoming in the market.

There is no undertaking for any entity to intervene in the secondary market providing liquidity to the Securitisation Bonds by offering itself as counterparty.

Under no circumstances will the Issuer be able to repurchase the Securitisation Bonds from the bondholders, although they can be redeemed early in their totality in the case of the Early Liquidation of the Issuer on the terms established in section 4.4.3 of the Registration Document.

### **2.2 Yield and term of the Securitisation Bonds.**

Compliance with the repayment of the Mortgage Loans is influenced by a variety of economic and social factors which impede their predictability, such as market interest rates, employment and the economic situation of the Mortgagors and the general level of economic activity.

The calculation of the internal rate of return, of the average life and of the duration of the Securitisation Bonds for each Series indicated in the Securities Note is subject, amongst other things, to assumptions of prepayment rates and default rates for the Mortgage Loans that may not be fulfilled, as well as future market interest rates, given the floating nature of the nominal interest rate for each Series.

### **2.3 Default interest.**

Under no circumstances will the delay of the payment of interests or repayment of principal to the Bondholders give rise to accrual of default interests in their favour.

### **2.4 Projective nature of certain information.**

All information contained in this Prospectus regarding interest payments, repayment of principal, average life and yields is given merely for illustrative purposes to elucidate the financial structure of the issue and is only of an estimative value.

### **3 RISKS DERIVING FROM THE ASSETS BACKING THE ISSUE**

#### **3.1 Risk of default on the Mortgage Loans.**

Holders of the Securitisation Bonds issued by the Issuer will bear the risk of default on the Mortgage Loans pooled in the Securitisation Fund through the issue of the Mortgage Transfer Certificates.

CAIXA CATALUNYA does not assume any liability for the non-payment by the Mortgagors of the Mortgage Loans (“**Debtors**”), be it of the principal, of the interest or any other amount they may owe by virtue of the Mortgage Loans. CAIXA CATALUNYA, in accordance with article 348 of the Spanish Code of Commerce (*Código de Comercio*), only bears liability to the Fund for the existence and legitimacy of the Mortgage Loans, as well as for the personality with which it executes the transfer. Nor will it assume, in any other form, responsibility for guaranteeing directly or indirectly the successful outcome of the transaction, nor will it grant guarantees or endorsements, nor will it be party to repurchase agreements relating to the Mortgage Transfer Certificates, except where any of them or the Mortgage Loans to which they relate do not comply with the characteristics contained in section 2.2.b) of the Additional Module.

The Securitisation Bonds issued by the Issuer do not represent or constitute an obligation of CAIXA CATALUNYA or of the Gestora. No other guarantees have been granted by any public or private entities, including CAIXA CATALUNYA, the Gestora or any other company affiliated with or invested in by any of the above.

#### **3.2 Limited protection.**

An investment in the Securitisation Bonds can be affected, amongst other things, by a worsening of the general economic conditions with a negative effect on the payments of the Mortgage Loans that back the Issue of the Securitisation Bonds. In the event that non-payment of the Mortgage Loans reaches a high level, the limited protection enjoyed by the Bonds of Series A1,A2a, A2b, B, C and D against losses in the portfolio of Mortgage Loans as a result of the credit enhancements described in **1.a)h)** of the Additional Module could be reduced, or even exhausted. Similarly, the degree of subordination of interest payments and repayment of principal between the Securitisation Bonds of the different Series that arises from their ranking in the application of Available Funds as well as from the rules for the Distribution of the Available Funds for the Redemption of the Series A1, A2a, A2b, B, C and D, from the Order of Priority of Payments and the Issuer Liquidation Order of Priority of Payments, constitutes a differentiated protection mechanism between the different Series.

#### **3.3 Risk of prepayment of the Mortgage Loans.**

The Mortgage Transfer Certificates pooled in the Fund will be subject to early redemption when the Mortgagors of the Mortgage Loans repay early the outstanding principal on the terms provided in each of the deeds of the Mortgage Loans. Similarly, the Mortgage Transfer Certificates will be redeemed completely in the event CAIXA CATALUNYA is replaced in the related Mortgage Loans by another financial institution duly authorised for such purpose, subject to Law 2/1994 of 30 March 1994, on the transfer and amendment of mortgages loans in its prevailing version (“**Law 2/1994**”), or for any other cause having that same effect.

The risk of such prepayment will be transferred quarterly, on each Payment Date, to the Securitisation Bond holders through the partial redemption of the Bonds.

#### **3.4 Risk of geographical concentration.**

The guarantees of the Mortgagors of the provisional portfolio located in the province of Barcelona represent 5,370 First Drawdowns (52.81% of the total), the outstanding balance of principal on which amounts to 718,805,429.91 euro (59.7% of the total) as described in section 2.2.2.2 of the Additional Module.

Given this level of concentration, a situation of any kind having a significant negative impact on the province of Barcelona could affect the payments of the Mortgages Loans that back the Issue of Securitisation Bonds of the Fund.

# **REGISTRATION DOCUMENT FOR MORTGAGE-BACKED SECURITIES**

(ANNEX VII OF REGULATION 809/2004)

## **1 PERSONS RESPONSIBLE**

### **1.1 Personas responsible for the information contained in the Registration Document**

Mr. Carles Fruns Moncunill, of legal age, acting for and on behalf of GESTIÓN DE ACTIVOS TITULIZADOS, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A., as General Manager and by virtue of the powers conferred by the Board of Directors at its meeting on 27 September 2005, with registered office in Fontanella, 5-7, 08010 Barcelona, with Tax Identification Number A61604955, acting in turn as the management company (hereinafter, the "**Gestora**") of the asset securitisation fund HIPOCAT 9, FONDO DE TITULIZACIÓN DE ACTIVOS (the "**Issuer**").

### **1.2 Declarations by the persons responsible for the information contained in the Registration Document**

Mr. Carles Fruns Moncunill, on behalf of the Gestora, declares that, after applying reasonable diligence to ensure that this is so, the information contained in this Registration Document is, to his knowledge, consistent with the facts and contains no omissions that could affect its content.

## **2 STATUTORY AUDITORS**

### **2.1 Auditors of the Issuer**

The auditors of the Issuer shall be appointed at the General Shareholders Meeting to be held before December 31, 2005. The Gestora shall inform the CNMV, Rating Agencies (hereinafter the "**Rating Agencies**") and Bondholders of any changes which may occur regarding the appointment of the auditors, in accordance with section 4 of the Additional Module.

### **2.2 Accounting principles used by the Issuer**

The accounting periods of the Issuer will begin on 1 January and end on 31 December of each year, except for the first accounting period, which will begin on the Issuer Establishment Date and end on 31 December 2005, and the last, which will end on the Final Maturity Date (projected for 15 July 2038 or, if the latter does not fall on a Business Day, on the next following Business Day).

In preparing the aforesaid accounting information for the Issuer, the accrual principle is expressly followed, that is, the accounting is done on the basis of the actual flows represented by revenues and expenses, irrespective of when they are collected and paid.

## **3 RISK FACTORS OF THE ISSUER**

The risk factors of the Issuer are detailed in section 1 on Risk Factors.

#### **4 INFORMATION ABOUT THE ISSUER**

##### **4.1 Statement that the issuer has been established as a special purpose vehicle or entity for the purpose of issuing asset backed securities.**

The Fund will be established as a separate capital base, without legal personality and regulated in accordance with Spanish law.

##### **4.2 Legal and commercial name of the issuer.**

The name of the issuer is "**HIPOCAT 9, FONDO DE TITULIZACIÓN DE ACTIVOS**". For identification purposes it may also be known by the following abbreviations:

- HIPOCAT 9 FTA.

- HIPOCAT 9 F.T.A.

##### **4.3 Place of registration of the issuer and registration number.**

It is noted that neither the establishment of the Issuer, nor the Securitisation Bonds to be issued against its assets, will be inscribed in the Spanish Companies Registry, in accordance with the optional exemption contained in article 5.4 of Royal Decree 926/1998, without prejudice to the registration of this Prospectus by the CNMV, which took place on 24 November 2005, and to the deposit with the said regulator, for incorporation in its public records, of a copy of the Deed of Establishment of the Issuer, of issue and subscription of Mortgage Transfer Certificates and issue of Securitisation Bonds (the "**Deed of Establishment**"), under the terms and conditions envisaged in article 6 of Royal Decree 926/1998.

The Gestora declares that the contents of this Deed of Establishment shall coincide with the draft Deed of Establishment submitted to the CNMV and drafted in the same terms as the Prospectus. Only in exceptional cases can changes be made to the Deed of Establishment, and provided this is permitted under the applicable laws and in the conditions established by regulation. In any event, such actions will require prior notice by the Gestora to the CNMV or competent administrative body, or their prior authorisation if necessary, as well as notification to the Rating Agencies, provided such modifications do not prejudice the rating granted to the Bonds by the Rating Agencies and the interests of the Bondholders. Amendment of the Deed of Establishment must be notified by the Gestora to the CNMV and to the Rating Agencies. The Deed of Establishment may also be subject to correction at the request of the CNMV.

##### **4.4 Date of incorporation and length of life of the issuer.**

###### **4.4.1 Issuer Establishment Date**

The Issuer will be formed, once this Prospectus has been registered, on 25 November 2005, by the granting of the Deed of Establishment.

###### **4.4.2 Length of Life of the Issuer**

The period of activity of the Issuer will run from the Date of Establishment provided for in the preceding section until the Final Maturity Date (projected for 15 July 2038 or, if this day is not a Business Day, the next following Business Day).

###### **4.4.3 Early Liquidation of the Issuer**

###### **4.4.3.1 Upon prior notice to the CNMV and to the Rating Agencies, the Gestora will be authorised to carry out the early liquidation of the entire issue of Securitisation Bonds in the following events:**

- a) If the Outstanding Balance of the Mortgage Transfer Certificates (hence including those Mortgage Transfer Certificates more than eighteen (18) months past due) is less than ten percent (10%) of the initial balance of the Mortgage Transfer Certificates.
- b) When as a result of an event or circumstance unrelated to the operations and development of the Issuer, there occurs, in the judgment of the Gestora, a substantial alteration or permanent distortion of the financial balance of the Issuer. This includes circumstances such as changes in the applicable laws or regulations or the establishment of withholding requirements that could affect the financial equilibrium of the Issuer.
- c) In the event the Gestora is declared subject to insolvency proceedings or its authorisation is revoked and there expires the legally stipulated time limit or, in default of such stipulation, four (4) months without a new management company having been appointed in accordance with the terms of section **3.7.2** of the Additional Module.
- d) In the event there takes place or there is expected to take place a payment default indicative, in the judgment of the Gestora, of a serious and permanent imbalance in relation to any of the securities issued. In such event, the Gestora, after notifying the CNMV, will carry out the orderly liquidation of the Fund according to the rules set out in the Deed of Establishment of the Issuer, which are described in section 3.4.6.2 of the Additional Module (Issuer Liquidation Order of Priority of Payments).
- e) When thirty (30) months pass after the date of the last maturity of the First Drawdowns, even if they still have outstanding debts past due.

4.4.3.2 The following will be necessary requirements to proceed to carry out the Early Liquidation of the Issuer:

- (a) That all of the payment obligations arising from the Securitisation Bonds of all Series issued by the Fund can be performed and cancelled in accordance with the Issuer Liquidation Order of Priority of Payments, subject to the fact that all required authorisations has been obtained, in such case, from the competent authorities.  
In all events, the payment obligations arising under the Securitisation Bonds of all Series at the date of Early Liquidation of the Issuer will be understood to be the Outstanding Principal Balance at that date plus the interest accrued but not paid as at the early repayment date, minus, where applicable, the tax withholding, which amounts shall for all legal purposes be considered due and payable at that date;
- (b) That notice be given to the Bondholders, in the manner stipulated in section 4.1.3.2 of the Additional Module and at least fifteen (15) Business Days in advance, of the resolution of the Gestora to proceed with the Early Liquidation of the Issuer.  
That notice must contain the description of (i) the reasons for carrying out the Early Liquidation of the Issuer, (ii) the procedure to be followed, (iii) the method to cover and cancel the payment obligations derived from the Securitisation Bonds in accordance with the Issuer Liquidation Payment Priority Order.

4.4.4 Termination of the Issuer

4.4.4.1 The termination of the Issuer will take place for the causes provided in Royal Decree 926/1988 and those expressly envisaged in the Deed of Establishment, and particularly:

- (a) When the Mortgage Transfer Certificates are redeemed in full.
- (b) When the issued Securitisation Bonds are repaid in full.
- (c) Upon termination of the Early Liquidation process provided for in section 4.4.2 of the Registration Document above.
- (d) In any event, upon final liquidation of the Issuer on the Final Maturity Date (15 July 2038), or, if this is not a Business Day, on the next following Business Day
- (e) Upon rescission of the Fund's formation in the event that Moody's, Fitch and S&P do not confirm as final the ratings provisionally assigned prior to the start of the Subscription Period. In such event, the Gestora will rescind the formation of the Issue, the issue and subscription of the Mortgage Transfer Certificates, and the Bond Issue.

4.4.4.2 In order for the Issuer, through its Gestora, to proceed to the early liquidation of the Issuer, for its subsequent termination, and, in such case, the early redemption of the Securitisation Bonds of all Series in the events set out in this section and, specifically, so that the Issuer has sufficient liquidity to meet its payment obligations, the Gestora will, on behalf of the Issuer, carry out any or all of the following acts:

- (i) sell the Mortgage Transfer Certificates, as well as the other assets of the Issuer, for which it will solicit an offer from at least five (5) entities from amongst the most active in the sale and purchase of such assets which, in its opinion, are able to give market value. The Gestora will be obliged to accept the best offer received for the assets offered which, in its opinion, covers the market value of the asset in question. CAIXA CATALUNYA will have a right of first refusal to acquire said Mortgage Transfer Certificates on terms at least equal to that of the best offer received by the Gestora, with the Gestora setting the rest of the contractual conditions for that right of first refusal. CAIXA CATALUNYA will have five (5) Business Days within which to exercise the right of first refusal as from the date on which the Gestora notifies it of the conditions for the disposal of the Mortgage Transfer Certificates. The right of first refusal in no event entails any covenant or representation relating to the repurchase of the Mortgage Transfer Certificates by CAIXA CATALUNYA.
- (ii) cancel those contracts which are unnecessary for the liquidation of the Issuer; and
- (iii) arrange a credit facility which will be used only and immediately to meet the early redemption of the Securitisation Bonds of all Series. The repayment of this credit facility will be guaranteed only by the flows of interest and principal derived from the outstanding Mortgage Transfer Certificates and the proceeds from the sale of the other assets which remain in the Issuer.

The Gestora will immediately apply all sums it receives from disposal of the assets of the Issuer to the payment of the different obligations, in the relevant manner, amount and Issuer Liquidation Order of Priority, in accordance with section 3.4.6.2 of the Additional Module, except for the sums, if any, drawn from the credit facility arranged as referred to in subparagraph (iii) above, which will be used exclusively for the early redemption of the Securitisation Bonds.

If any surplus remains after the Issuer has been liquidated and all payments envisaged in said section of the Prospectus have been made, that surplus will be paid to CAIXA CATALUNYA. If the surplus is not liquid because it corresponds to Mortgage Transfer Certificates for which the settlement of judicial or notarial proceedings is awaited, instituted because of default by the Mortgagor of the First Drawdown as envisaged in section 3.7.1.6 of the Additional Module, both the continuation of such proceedings and the proceeds obtained from their settlement will be for the benefit of CAIXA

CATALUNYA or of such other entity as may have acquired those Mortgage Transfer Certificates.

In any event, the Gestora, acting for the account and on behalf of the Issuer, will not terminate the Issuer and cancel its relevant administrative registrations until it has liquidated the residual assets of the Issuer and distributed the Available Funds of the Issuer, in accordance with the Issuer Liquidation Order of Priority.

Six (6) months after the liquidation of the residual assets of the Issuer and the distribution of the Available Funds, the Gestora will execute a Notarial Certificate declaring (i) the termination of the Issuer, and the causes of such termination as set out in the Deed of Establishment and this Prospectus, (ii) the procedures for giving notice to the Bondholders, the CNMV and the Rating Agencies which were carried out, and (iii) the distribution that was made of the available funds of the Issuer in accordance with the Issuer Liquidation Order of Priority set out in section 3.4.6.2 of the Additional Module. This information will be communicated by a notice published in a national newspaper and all other relevant administrative acts will be carried out. The Notarial Certificate will be submitted by the Gestora to the CNMV.

#### **4.5 Domicile and legal form of the issuer, the legislation applicable to the issuer.**

- 4.5.1 The formation of the Issuer and the issue of the Securitisation Bonds with a charge to it is done under Spanish law, and specifically under Royal Decree 926/1998 and will be subject to (i) the Deed of Establishment; (ii) Royal Decree 926/1998 and its implementing provisions, (iii) Law 19/1992 for those aspects not covered by Royal Decree 926/1998 and insofar as applicable, (iv) Law 3/1994; (v) Law 44/2002 (specifically article 18); (vi) the Securities Market Law and its implementing regulation (*Ley del Mercado de Valores*), and (vii) all other legal and regulatory provisions prevailing from time to time.

The Issuer constitutes a separate capital base without legal personality; it will be closed ended and will be composed, on the asset side, of Mortgage Transfer Certificates which will be pooled at the time of its establishment, a Reserve Fund and initial formation expenses (establishment and issue), and, on the liabilities side, of the Securitisation Bonds to be issued and the Loan for Initial Expenses. Additionally the Fund arranges the Interest Rate Swaps.

- 4.5.2 The Issuer will have its domicile at Fontanella 5-7, 08010 Barcelona and its telephone number will be +34 93 484 73 36.

#### **4.6 Tax regime of the Issuer.**

There follows a brief summary of the general tax regulations applicable to the Issuer. It must be understood without prejudice to the peculiarities of each local jurisdiction and of the regulations which may apply at the time the relevant income is obtained or declared.

The tax regime applicable to asset securitisation funds (*Fondos de Titulización de Activos*) consists of the general provisions contained in Legislative Royal Decree 4/2004 of 5 March 2004 approving the consolidated text of the Spanish Corporate Income Tax (*Impuesto sobre Sociedades*) and its implementing provisions, with the specific peculiarities arising from the provisions of Law 19/1992 of 7 July 1992 regulating Real Estate Investment Funds and Companies and Mortgage Backed Securitisation Funds (*Sociedades y Fondos de Inversión Inmobiliaria y sobre Fondos de Titulización Hipotecaria*), in Law 3/1994 of 14 April 1994, and in Royal Decree 926/1998 of 14 May 1998 regulating asset securitisation funds and management companies of asset securitisation funds, which, in summary, define the following fundamental principles:

- 1) Asset securitisation funds are independent entities liable for Corporate Income Tax, subject to the general rules for determining the tax base, and to the general rate of 35 percent, and to the common rules for deductions, set-off of losses and other substantive elements of the tax.



- 2) Investment income of securitisation funds is subject to the general rules on withholdings on account of the Corporate Income Tax, with the particularity that article 57-k of the Regulations approved by Royal Decree 1777/2004 of 30 July 2004 provides that withholding does not apply to “income from mortgage participating units, mortgage loans and other credit rights that constitute revenue items for the securitisation funds”. Consequently, in addition to the income from the Mortgage Transfer Certificates which are the direct object of the securitisation, the withholding exemption also extends, according to the expressly stated policy of the tax authorities, to the income of the Mortgage Loans, to the extent that they form part of the ordinary business activity of the said funds.
- 3) Article 5.10 of Law 19/1992 provides that the formation of mortgage securitisation funds is exempt from classification as “corporate operations”, thereby predetermining its submission to the same.

For its part, article 16 of Royal Decree Law 3/1993 authorised the national government to “extend the regime provided for securitisation of mortgage participating units (...) to the securitisation of other Mortgage Loans and credit rights”. This authority was ratified and expanded by the Fifth Additional Provision of Law 3/1994.

Similarly, Royal Decree 926/1998 provides that asset securitisation funds, insofar as that decree is silent, will be subject to the rules contained in Law 19/1992 for mortgage securitisation funds, to the extent they are applicable having regard to their specific nature.

The assignment to the Issuer of the Mortgage Transfer Certificates provided for in this Prospectus in the manner described above is a transaction that is subject to but qualifies for an exemption from the Value Added Tax in accordance with the provisions of article 20.One.18-e of Law 37/1992 of 28 December 1992.

The establishment and assignment of guarantees is subject to the general tax regime with no exceptions.

- 4) In relation to the Value Added Tax, the Issuer will be subject to the general rules, with the sole particularity that the services provided for the Issuer by the Gestora will be exempt from the Value Added Tax.
- 5) The Bond Issue will be exempt from the Value Added Tax (article 20.One.18 of the VAT Law) and from the Capital Transfer Tax and Stamp Duty (Impuesto sobre Transmisiones Patrimoniales y Actos Jurídicos Documentados) (article 45-I.B number 15 of the Consolidated Text of the Capital Transfer Tax and Stamp Duty Law, confirmed by the 3 November 1997 judgment of the Spanish Supreme Court).

**4.7 Description of the issuer’s authorised and issued capital and the amount of any capital agreed to be issued, the number and classes of the securities it comprises.**

Not applicable.

## 5 BUSINESS OVERVIEW

### 5.1 Brief description of the issuer's principal activities

As described throughout this Registration Document, and in the Additional Module, the fund HIPOCAT 9, Fondo de Titulización de Activos, is set up as a vehicle intended to carry out a concrete transaction, pursuing the principal activities summarised below and explained in detail in this Prospectus:

a) The Issuer, at its Date of Establishment, will acquire, by means of the issue by CAIXA CATALUNYA of Mortgage Transfer Certificates, a portfolio of Mortgage Loans owned by CAIXA CATALUNYA, the main characteristics of which are described in the Additional Module.

1.To pay the price of that acquisition, the Issuer will issue, on that same date, Securitisation Bonds of the Series A1, A2a, A2b, B, C and D.

2.Also, on the same Date of Establishment, a series of contracts will likewise be made which are described in this Prospectus for the purpose of giving the A1, A2a, A2b, B, C and D Securitisation Bonds Series a number of credit enhancements to avoid certain risks for those Securitisation Bonds, in order to obtain the credit ratings described herein from the Rating Agencies. Thus, a Reserve Fund will be set aside, an Interest Rate Swap Agreement will be entered into with CAIXA CATALUNYA, described in section 3.4.7.1 of the Additional Module, a Guaranteed Interest Reinvestment Agreement for the Treasury Account will be entered into with CAIXA CATALUNYA, described in section 3.4.4.1 of the Additional Module, and a Guaranteed Interest Reinvestment Agreement for the Repayment Account will be entered into with CAIXA CATALUNYA, described in section 3.4.4.2 of the Additional Module.

3.The Reserve Fund will be established with the amount of the Series E Securitisation Bonds, which will be issued by the Issuer on the same Date of Establishment, and its nominal amount will be the same as the amount of the initial Reserve Fund in accordance with the provisions of **1.a)h)** of the Additional Module.

4.In addition, on the same Date of Establishment, the Gestora, for and on behalf of the Issuer, will enter into a number of agreements needed for the administration and management of the Issuer and for the subscription and management of the Securitisation Bonds issued, and for this purpose:

5.The Deed of Establishment will also regulate the Administration of the Mortgage Loans and the Custody of the Mortgage Transfer Certificates with CAIXA CATALUNYA;

6.It will enter into a Paying Agency Agreement for the Securitisation Bonds with CAIXA CATALUNYA, described in section **3.4.7.2** of the Additional Module, for handling payment of the interest and principal of the Securitisation Bonds on the relevant dates, including the Closing Date of the Bonds;

7.It will enter into a Loan Agreement for Initial Expenses with CAIXA CATALUNYA to obtain funds to pay the initial expenses of the Issuer, described in section **3.4.3** of the Additional Module; and

8.It will enter into an Underwriting and Placement Agreement for the Securitisation Bond Issue with DEUTSCHE BANK, CAIXA CATALUNYA and another series of entities, described in section 4.2.2 of the Securities Note, for underwriting the Securitisation Bonds and placing them with qualified investors.

The Gestora declares that the descriptions of all the contracts described (Deed of Establishment, Paying Agency Agreement, Interest Rate Swap Agreement, Underwriting Agreement, Loan Agreement for Initial Expenses, Underwriting and Placement Agreement for the Bond Issue, Guaranteed Interest Reinvestment Agreement for the Treasury Account and the Guaranteed Interest Reinvestment Agreement for the Repayment Account) contained in the relevant sections which it will enter into for and on behalf of the Issuer contain the most important and material

information on each of the contracts and give a true and fair view of their content and no information has been omitted which could affect the contents of the Prospectus.

9. In accordance with the above, the sole activity of the Fund, as issuer, with the Gestora acting in its name and on its behalf, will be to manage the contracts and obligations described above, such that the main activities carried on by the Issuer over its life will be the following:

10. It will receive the amount of principal, interest and any other sum payable to the Issuer according to this Prospectus from the Mortgage Transfer Certificates administered by CAIXA CATALUNYA, which amounts will be initially deposited in the Treasury Account, or in the Repayment Account, as applicable, held in CAIXA CATALUNYA.

11. On each Payment Date, the amount of the Mortgage Transfer Certificates deposited in the Treasury Account or the Repayment Account, as applicable, will be used to pay the obligations acquired by the Issuer, including the Securitisation Bonds and amounts it must pay by virtue of the Deed of Establishment, under the Interest Rate Swap Contracts, the Loan Agreement for Initial Expenses and the Paying Agency Agreement, in accordance with the Order of Priority of Payments or the Issuer Liquidation Order of Priority of Payments.

12. In accordance with the provisions of the Paying Agency Agreement, it will give the necessary instructions to the Paying Agent for the latter to deliver to the Bondholders the amounts to which they are entitled in respect of interest and principal on each Payment Date.

## 5.2 General description of the parties to the securitisation program.

The persons taking part in the offering are:

- a) GESTIÓN DE ACTIVOS TITULIZADOS, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN S.A., is the Gestora of the Issuer.

GESTIÓN DE ACTIVOS TITULIZADOS, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN S.A. is a Spanish public limited company (sociedad anónima) that manages securitisation funds, with registered office at Fontanella 5-7, 08010 Barcelona, and holds corporate taxpayer identification number (CIF) A-61.604.955.

It holds no credit ratings from any rating agencies.

Spanish national economic sector classification (CNAE):65

- b) The financial structure of the Issuer and of the Issue of Securitisation Bonds has been arranged by GESTIÓN DE ACTIVOS TITULIZADOS and DEUTSCHE BANK.

DEUTSCHE BANK, that is, DEUTSCHE BANK AG, is a German bank, with registered office at Taunusanlage, 12, D-60325, Frankfurt am Main.

The ratings of the non-subordinated and unsecured debt of DEUTSCHE BANK are given below:

	<b>S&amp;P</b>	<b>Fitch</b>	<b>Moody's</b>
<b>Long Term</b>	AA-	AA-	Aa3
<b>Short Term</b>	A-1+	F1+	P-1

DEUTSCHE BANK, as a European Union credit institution, operates in Spain under the freedom to provide services.

- c) CAIXA CATALUNYA is (i) the seller of the Mortgage Loans through the issue of Mortgage Transfer Certificates that will be fully subscribed by the Issuer upon its formation, (ii) the Administrator of the Mortgage Loans and custodian of the Mortgage Transfer Certificates, (iii) the entity granting the Loan for Initial Expenses, (iv) the Paying Agent for the Securitisation Bonds Issue and (v) a Lead Manager.

CAIXA CATALUNYA, that is, Caixa D'Estalvis de Catalunya, is a Spanish savings bank (caja de ahorros), a credit institution organised as a foundation for social welfare purposes,

with registered office in Barcelona, at Plaza de Antoni Maura, 6, and holding corporate taxpayer identification number (CIF) G-08169815.

The ratings given to non-subordinated and unsecured debt of CAIXA CATALUNYA at present by Moody's and Fitch are, respectively, P-1 and F1 for short-term debt, and A1 and A for long-term debt, with no ratings from S&P.

Spanish national economic sector classification (CNAE): 65

- d) CAIXA CATALUNYA, DEUTSCHE BANK, AND IXIS CIB are acting as Lead Managers and Underwriters and Distributors of the Issue of Securitisation Bonds, developing the functions described in section 7.1 of the Securities Note.

IXIS CIB, that is IXIS CORPORATE AND INVESTMENT BANK, is a French bank with registered office at 47, quai d'Austerlitz 75648 Paris Cedex 13, that operates in Spain under the free provision of services regime.

The ratings given to non-subordinated and unsecured debt of IXIS CIB are given below:

For any operation until January 23, 2017 or with maturity up to January 23, 2017.

	<b>S&amp;P</b>	<b>Fitch</b>	<b>Moody's</b>
<b>Short Term</b>	A1+	F1+	P1
<b>Long Term</b>	AAA	AAA	Aaa

For any operation from that date or with maturity after it

	<b>S&amp;P</b>	<b>Fitch</b>	<b>Moody's</b>
<b>Short Term</b>	A1+	F1+	P1
<b>Long Term</b>	AA	AA	Aa2

- e) BARCLAYS BANK, LEHMAN BROTHERS and MERRILL LYNCH are acting as Underwriters and Distributors of the Issue of Securitisation Bonds.

BARCLAYS BANK, that is BARCLAYS BANK, PLC, is a UK bank with registered office at 1 Churchill Place, London, E14 5HP, that operates in Spain under the free provision of services regime.

The ratings given to non-subordinated and unsecured debt of BARCLAYS BANK are given below:

	<b>S&amp;P</b>	<b>Fitch</b>	<b>Moody's</b>
<b>Short Term</b>		F1+	
<b>Long Term</b>	AA	AA+	Aa1

LEHMAN BROTHERS, that is Lehman Brothers International (Europe), is a foreign investment services company with registered office at 25 Bank Street - London E14 5LE that operates in Spain under the free provision of services regime.

MERRILL LYNCH, that is, MERRILL LYNCH INTERNATIONAL, is a foreign investment services company, registered in the CNMV with number 426, and having its registered office in London (England) at 2 King Edward Street, EC1A 1HQ. It holds no credit ratings from any Rating Agency.

- f) Deloitte is acting as auditor for the verification of a series of attributes of a selection of Mortgage Loans belonging to CAIXA CATALUNYA from where the Mortgage Loans will be extracted in order to issue the Mortgage Transfer Certificates that will be subscribed by the Issuer at its formation. Deloitte is also acting as auditor of the accounts of the Issuer.

Deloitte, S.L. is a Spanish limited liability company, registered in the ROAC Register (Registro Oficial de Auditores de Cuentas) with number S0692 and registered address in Madrid, Plaza Pablo Ruiz Picasso, 1, and corporate taxpayer identification number (CIF) B-79104469.

It holds no credit ratings from any rating agencies.

- g) Moody's, Fitch and Standard & Poor's are acting as Rating Agencies for the credit risk of the Bonds.

Moody's Investors Services España, S.A. is a Spanish public limited company subsidiary of the ratings agency Moody's Investors Services Inc., has its registered address in Madrid (Spain), at Carrera Bárbara de Braganza, 2, 28004, and holds corporate taxpayer identification number (CIF) A-83448475.

Fitch Ratings España, S.A. is a Spanish public limited company subsidiary of the ratings agency Fitch Ratings Limited, has its registered address in Barcelona (Spain), at Calle Balmes 89-91, and holds corporate taxpayer identification number (CIF) A-58090655.

Standard & Poor's España, S.A. is a Spanish public limited company subsidiary of the ratings agency Standard & Poor's limited, a McGraw-Hill company, has its registered address in Madrid (Spain), at Carrera de San Jerónimo, 15 and holds corporate taxpayer identification number (CIF) A-90310824.

One hundred percent of the capital of the Gestora belongs, directly and indirectly, to CAIXA CATALUNYA. So far as is known, there are no other type of relations of a legal, economic or family nature between the participants in the Issuer described above capable of harming the Issuer in general and the investors in the Securitisation Bonds issued by it in particular.

## **6 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES.**

### **6.1 Management, administration and representation of the Issuer**

As provided by Royal Decree 926/1998, the Issuer will be represented and managed by its Gestora, GESTIÓN DE ACTIVOS TITULIZADOS, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN S.A.

The name of the Gestora is **GESTIÓN DE ACTIVOS TITULIZADOS, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN S.A.**, with CIF number A61604955.

The Gestora is a Spanish public limited company (sociedad anónima), with registered office in Fontanella 5-7, 08010 Barcelona, and telephone number +34 93 484 73 36 and it is registered in the Barcelona [Companies Registry] (volume 30545, sheet 41, page B177694), 1<sup>st</sup> entry. It is also also registered in the special registry of the CNMV under number 9.

The Gestora is incorporated for an indefinite term, except for the occurrence of any of the events for which the law stipulates its winding-up.

The Gestora is subject to supervision by the Comisión Nacional del Mercado de Valores, in accordance with the provision of Royal Decree 926/1998.

### **6.2 Audit of the financial statements of the Gestora**

The Gestora has accounts for 2004, 2003 and 2002 audited by Deloitte on deposit at the CNMV and at the Companies Registry. The audit reports on the annual financial statements for 2004, 2003 and 2002 contained no qualifications.

### **6.3 Principal activities**

The sole purpose of the company is the formation, management and legal representation of Fondos de Titulización de Activos (asset securitisation funds) and Fondos de Titulización Hipotecaria (mortgage securitisation funds).

The administration and legal representation of the Issuer rest with the Gestora, GESTIÓN DE ACTIVOS TITULIZADOS, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN S.A., in accordance with the provisions of Royal Decree 926/1998 and Law 19/1992 for those aspects not covered by Royal Decree 926/1998, when applicable, and the rest of the applicable legal regulations, as well as the provisions of the Deed of Establishment. The Gestora will perform for the Issuer those functions that rest with it under Royal Decree 926/1998. The Gestora, as manager of third-party business, will also represent and defend the interests of the holders of the Securitisation Bonds issued by the Fund and of the rest of the ordinary creditors of the Issuer. Consequently, the Gestora must subject its activities to the defence of the said persons and to the applicable

provisions in this regard prevailing from time to time. Bondholders and ordinary creditors of the Issuer will have no legal recourse against the Gestora unless the Gestora fails to perform its functions or does not comply with the provisions of the Deed of Establishment and of this Prospectus.

#### 6.4 Existence or not of holdings in other companies.

The Gestora does not hold equity interests in any company.

#### 6.5 Lenders to the Gestora.

The Gestora has not been granted any financing by third parties.

#### 6.6 Litigation of the Gestora.

At the date of registration of this Prospectus, there are no disputes or litigation capable of having a material effect on the economic-financial situation of the Gestora or on its future capacity to perform the Fund management and administration functions provided in this Prospectus.

#### 6.7 Board of Directors of the Gestora.

The Board of Directors of the Gestora is made up, as at the date of registration of the Prospectus, of the following persons:

Director	Individual Appointee	Appointed by:	Date of Appointment	Business Address
Mr. Lluís Gasull Moros <b>(Chairman and Chief Executive)</b>	-	CAIXA CATALUNYA	30 April 2002	Fontanella 5-7 Barcelona
Mr. Gabriel Santolaria Arruebo	-	FACTORCAT, Establecimiento Financiero de Crédito S.A.	27 February 1998	Fontanella 5-7 Barcelona
Mr. Ferran Sicart Ortí	-	CAIXA CATALUNYA	30 April 2002	Fontanella 5-7 Barcelona
Mr. Jaime Sambola Pijuan	-	CAIXA CATALUNYA	12 May 2003	Fontanella 5-7 Barcelona
Mr. Alberto Foz Val	-	LEASING CATALUNYA, Establecimiento Financiero de Crédito, S.A.	25 April 2005	Fontanella 5-7 Barcelona

The non-Director Secretary of the Board of Directors is Ms. Cristina Puig Carrasco, since 27 February 1998.

The General Manager of the Gestora is Mr. Carles Fruns Moncunill.

In compliance with the provisions of the Securities Market Law and Royal Decree 629/1993 of 3 May 1993 on rules of conduct in securities market and mandatory recordkeeping, the Board of Directors of the Gestora approved an Internal Code of Conduct containing the rules of conduct in relation to securities managed by the Gestora for and on behalf of securitisation funds that are traded on organised markets.

That Code is on deposit in the records of the CNMV and contains, amongst other items, the rules on confidentiality of information, dealings with persons subject to the Code, disclosure of material information and conflicts of interest.

The Gestora has not approved any regulations of the Board of Directors and is not subject to the application of any Code of Good Corporate Governance.

The individual persons appointed as Directors and Chairman of the Gestora pursue the following significant activities outside the company:

Name	Office in listed and/or material companies
Mr. Lluís Gasull Moros ( <b>Chairman and Chief Executive</b> )	Member of the Board of La Seda de Barcelona, S.A. Deputy General Manager of Caixa Catalunya
Mr. Gabriel Santolaria Arruebo	Director of Factorcat, S.A.
Mr. Ferran Sicart Ortí	Assistant Director of Caixa Catalunya
Mr. Jaime Sambola Pijuan	Assistant Director of Caixa Catalunya
Mr. Alberto Foz Val	Director of Liscat, S.A.

## 6.8 Funds managed

At the date of registration of this Prospectus, the Gestora manages the following securitisation funds:

<b>Fund</b>	<b>Date Establishment</b>	<b>Initial Amount</b>	<b>Amount managed at 30/09/2005</b>
HIPOCAT 1, FONDO DE TITULIZACIÓN HIPOTECARIA	17-jun-98	144,242,909.05 €	24,234,835.27 €
HIPOCAT 2, FONDO DE TITULIZACIÓN HIPOTECARIA	28-oct-98	285,480,749.58 €	55,276,677.60 €
HIPOCAT 3, FONDO DE TITULIZACIÓN HIPOTECARIA	16-jul-99	442,000,000 €	118,024,173.16 €
PYMECAT 1 FTPYME, FONDO DE TITULIZACIÓN DE ACTIVOS	17-jan-01	150,000,000 €	18,789,473.66 €
HIPOCAT 4, FONDO DE TITULIZACIÓN DE ACTIVOS	18-jul-01	300,000,000 €	139,807,756.58 €
HIPOCAT 5, FONDO DE TITULIZACIÓN DE ACTIVOS	30-oct-02	696,000,000 €	350,380,632.53 €
HIPOCAT 6, FONDO DE TITULIZACIÓN DE ACTIVOS	17-sep-03	850,000,000 €	531,938,131.27 €
HIPOCAT 7, FONDO DE TITULIZACIÓN DE ACTIVOS	8-jun-04	1,400,000,000 €	1,091,638,920.90 €
HIPOCAT 8, FONDO DE TITULIZACIÓN DE ACTIVOS	6-may-05	1,500,000,000 €	1,402,415,881.21 €



## 6.9 Share capital and equity

At the date of registration of this Prospectus, the share capital, fully subscribed and paid in, amounts to nine hundred one thousand six hundred fifty (901,650) euro.

All the shares are ordinary registered shares of the same class and series and confer the same voting, financial and other rights. The share capital is represented by 15,000 registered shares with a nominal value of sixty point eleven (60.11) euro each.

The capital and reserves of the Gestora at the time this Prospectus is registered are as shown in the following table:

<b>(Euros)</b>	<b>31/12/2003</b>	<b>%var</b>	<b>31/12/2004</b>
Capital	901,650.00	0.00%	901,650.00
Legal Reserve	77,198.22	58.30%	122,203.69
Voluntary Reserve	164,399.13	3.07	169,448.36
<b>TOTAL</b>	<b>1,143,247.35</b>	<b>4.38</b>	<b>1,193,302.05</b>

## 6.10 Principal transactions with related parties and conflicts of interest.

There are no dealings with related parties or conflicts of interest, although several shareholders of the Gestora, described in the following section, have participated as Sellers to some of the Funds managed by the Company.

## 7 MAJOR SHAREHOLDERS

All the shares are ordinary registered shares of the same class and series and confer the same voting, financial and other rights. The share capital is represented by 15,000 registered shares with a nominal value of sixty point eleven (60.11) euros each.

For the purposes of article 42 of the Code of Commerce, GESTIÓN DE ACTIVOS TITULIZADOS, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN S.A. forms part of the CAIXA CATALUNYA Group.

As at the date of registration of this Prospectus, 100% of the shares of the Gestora are owned directly or indirectly by CAIXA CATALUNYA as shown below, with an indication of the percentage stake held by each of the following companies:

CAIXA CATALUNYA	486,891 euro (54% of the capital)
FACTORCAT, Establecimiento Financiero de Crédito S.A.	207,379.5 euro (23% of the capital)
LEASING CATALUNYA, Establecimiento Financiero de Crédito, S.A.	207,379.5 euro (23% of the capital)

**8 FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL SITUATION, AND PROFITS AND LOSSES.**

**8.1 Declaration on commencement of operations and financial statements of issuer prior to the date of the Registration Document**

Not applicable.

**8.2 Historical financial information**

Not applicable.

**8.2 bis Historical financial information on security issues with an individual denomination of 50,000 euros or more**

Not applicable.

**8.3 Legal and arbitration proceedings**

Not applicable.

**8.4 Material adverse change in the issuer's financial situation**

Not applicable.

**9 THIRD PARTY INFORMATION AND STATEMENTS BY EXPERTS AND DECLARATIONS OF ANY INTEREST**

**9.1 Statements or reports attributed to a person acting in an expert capacity.**

No declaration or report is included.

**9.2 Information from third parties.**

No information from third parties is included.

**10 DOCUMENTS ON DISPLAY**

If necessary, the following documents (or their copies) can be inspected in physical form during the life of this Registration Document

1. The articles of association of the Gestora, its audited annual financial statements and its internal code of conduct.
2. The Deed of Establishment of the Issuer, once granted.
3. This Prospectus.
4. The following contracts and documents, once they have been signed and delivered:
  1. Guaranteed Interest Reinvestment Agreement for the Treasury Account described in section 3.4.4.1 of the Additional Module.
  2. Guaranteed Interest Reinvestment Agreement for the Repayment Account described in section 3.4.4.2 of the Additional Module.

3. Loan Agreement for Initial Expenses, described in section 3.4.3.1 of the Additional Module.
  4. Interest Rate Swap Agreements, described in section 3.4.7.1 of the Additional Module.
  5. Paying Agency Agreement for the Securitisation Bonds, described in section 3.4.7.2 of the Additional Module.
  6. Management and Placement Agreement for the Issue of Securitisation Bonds that will be entered into for this purpose for the placement of the Securitisation Bonds.
  7. Certificate of payment of the Bonds.
5. Board Resolutions of the Seller and of the Gestora.
  6. Audit Report.
  7. Final and provisional rating letters from the Rating Agencies.

The said documents may be physically consulted at the registered office of the Gestora, at Calle Fontanella 5-7, 08010, Barcelona (Spain).

The Prospectus may also be consulted at the website of the Gestora ([www.gat-sgft.info](http://www.gat-sgft.info)), on the CNMV website ([www.cnmv.es](http://www.cnmv.es)), on the website of the AIAF Market ([www.aiaf.es](http://www.aiaf.es)), and is available to prospective investors interested in the offering through the Underwriters and Distributors.

In addition, the documents referred to by 2 to 7 above may be consulted in the registers of the CNMV.

Lastly, the Deed of Establishment may be consulted in IBERCLEAR.

# **SECURITIES NOTE**

(ANNEX XIII REGULATION 809/2004)

## **1 PERSONS RESPONSIBLE**

### **1.1 Persons responsible for the information contained in the Securities Note**

Mr. CARLOS FRUNS MONCUNILL, of legal age, with I.D. Card Number 36.958.081, acting for and on behalf of GESTIÓN DE ACTIVOS TITULIZADOS, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A., as General Manager and by virtue of the powers conferred by the Board of Directors at its meeting on September 7, 2005 with registered office in Fontanella, 5-7, 08010 Barcelona, with Tax Identification Number A61604955, acting in turn as the management company (hereinafter, the “**Gestora**”) of the asset securitisation fund HIPOCAT 9, FONDO DE TITULIZACIÓN DE ACTIVOS (the “**Issuer**”).

### **1.2 Declarations by the persons responsible for the information contained in the Securities Note**

Mr. Carles Fruns Moncunill, on behalf of the Gestora, declares that, after applying reasonable diligence to ensure that this is so, the information contained in this Securities Note and its Additional Module is, to his knowledge, consistent with the facts and contains no omissions that could affect its content.

## **2 RISK FACTORS**

The risk factors of the Issuer are detailed in section 2 on Risk Factors.

## **3 KEY INFORMATION**

### **3.1 Interest of natural and legal persons involved in the offer**

There are no private interests other than those described in section 5.2 of the Registration Document.

### **3.2 Description of any interest, including conflicting ones, that is material to the issue, detailing the persons involved and the nature of the interest.**

100% of the Gestora's share capital belongs to GRUPO CAIXA CATALUNYA. The Gestora is not aware of any other link or financial interest of the experts who have participated in the structuring of or advised on the establishment of the Issuer, or of other participating entities or of any significant information contained in the Securities Note with either the Gestora or with CAIXA CATALUNYA, as the Issuer of the Mortgage Transfer Certificates to be subscribed by the Issuer.

## **4 INFORMATION CONCERNING THE SECURITIES TO BE OFFERED AND ADMITTED TO TRADING**

### **4.1 Total amount of the securities**

The aggregate nominal amount of the Bond Issue will be ONE THOUSAND AND SIXTEEN MILLION (1,016,000,000) euro, comprising TEN THOUSAND ONE HUNDRED AND SIXTY (10,160) bonds, with a unit nominal value of 100,000 euro each.

## 4.2 Description of the type and class of the securities

### 4.2.1 Type and class of securities

The present Securities Note is executed for purposes of the Issue of Securitisation Bonds of HIPOCAT 9, FONDO DE TITULIZACIÓN DE ACTIVOS.

The Bonds are securitised bonds of assets that represent a debt for the Fund, pay interest and are redeemable through early redemption or at final maturity. The bonds enjoy the legal status of marketable fixed income securities with explicit returns, and are subject to the regime provided by the Security Market Law and its implementing regulations.

The total amount of the Securitisation Bond Issue is divided into seven Series in the following manner:

- a) Class A bonds: Ordinary securitisation bonds comprising three series (“**Class A bonds**”):
  - **Series A1**, for a total nominal amount of two hundred million (200,000,000) Euro, comprises two thousand (2,000) Securitisation Bonds with a nominal value of one hundred thousand (100,000) Euro each (hereinafter, "**Series A1 Securitisation Bonds**" or "**A1**" bonds).
  - **Series A2a**, for a total nominal amount of five hundred million (500,000,000) Euro, comprises five thousand (5,000) Securitisation Bonds with a nominal value of one hundred thousand (100,000) Euro each (hereinafter, "**Series A2a Securitisation Bonds**" or "**A2a**" bonds).
  - **Series A2b**, for a total nominal amount of two hundred and thirty six million two hundred thousand (236,200,000) Euro, comprises two thousand three hundred and sixty two (2,362) Securitisation Bonds with a nominal value of one hundred thousand (100,000) Euro each (hereinafter, "**Series A2b Securitisation Bonds**" or "**A2b**" bonds).
- b) Series B for a total nominal amount of twenty two million (22,000,000) euros comprising two hundred and twenty (220) Securitisation Bonds with a nominal value of one hundred thousand (100,000) Euros each, represented by book entries (“**Series B**” or “**Series B Securitisation Bonds**”).
- c) Series C for a total nominal amount of eighteen million three hundred thousand (18,300,000) euro comprising one hundred and eighty three (183) Securitisation Bonds with a nominal value of one hundred thousand (100,000) euro each, represented by book entries (“**Series C**” or “**Series C Securitisation Bonds**”).
- d) Series D for a total nominal amount of twenty three million five hundred thousand (23,500,000) euro comprising two hundred and thirty five (235) Securitisation Bonds with a nominal value of one hundred thousand (100,000) Euros each, represented by book entries (“**Series D**” or “**Series D Securitisation Bonds**”).
- e) Series E for a total nominal amount of sixteen million (16,000,000) euro comprising one hundred and sixty (160) Securitisation Bonds with a nominal value of one hundred thousand (100,000) Euros each, represented by book entries (“**Series E**” or “**Series E Securitisation Bonds**”).

### 4.2.2 Underwriting and placement of the securities

Simultaneous to the creation of the Fund and on behalf of this, the Gestora will execute with the Lead Managers and with the Underwriters and Placement Entities mentioned in section 5.2 of the Registration Document a Subscription and Underwriting Agreement for the Placement, whereby the said entities undertake to subscribe or to obtain, under their responsibility,

subscribers for the Bonds, in the amounts mentioned below, with each bearing responsibility

<b>Underwriting and Placement Entities</b>	<b>Series A1 Securitisation Bonds</b>	<b>Series A2a Securitisation Bonds</b>	<b>Series A2b Securitisation Bonds</b>	<b>Series B Securitisation Bonds</b>	<b>Series C Securitisation Bonds</b>	<b>Series D Securitisation Bonds</b>	<b>Securitisation Bonds Series E</b>
<b>DEUTSCHE BANK</b>	60,000,000	150,000,000	70,900,000	6,600,000	5,500,000	7,000,000	-
<b>IXIS CIB</b>	45,000,000	112,500,000	53,100,000	5,000,000	4,100,000	5,300,000	-
<b>BARCLAYS BANK</b>	45,000,000	112,500,000	53,100,000	5,000,000	4,100,000	5,300,000	-
<b>LEHMAN BROTHERS</b>	20,000,000	50,000,000	23,600,000	2,200,000	1,800,000	2,400,000	-
<b>MERRILL LYNCH</b>	20,000,000	50,000,000	23,600,000	2,200,000	1,800,000	2,400,000	
<b>CAIXA CATALUNYA</b>	10,000,000	25,000,000	11,800,000	1,100,000	900,000	1,200,000	16,000,000
<b>Total</b>	<b>200,000,000</b>	<b>500,000,000</b>	<b>236,200,000</b>	<b>22,000,000</b>	<b>18,300,000</b>	<b>23,500,000</b>	<b>16,000,000</b>

for the respective amount it has underwritten:

The Underwriters and Distributors will assume the obligations contained in the Securitisation Bond Issue Management, Underwriting, Placement and Subscription Agreement, namely the following:

- 1) To ensure the placement in subscription by third parties of the Securitisation Bonds of Series A1, A2a, A2b, B, C and D; CAIXA CATALUNYA will subscribe the whole of Series E and, therefore, no placement functions will be carried out in relation to that Series.
- 2) To subscribe on their own behalf the Securitisation Bonds of Series A1, A2a, A2b, B, C, and D that have not been subscribed by third parties during the Subscription Period, until completion of the amounts of their respective joint underwriting commitments, without prejudice to CAIXA CATALUNYA being obliged to underwrite all of the Bonds of the different Series (in addition to its commitment to subscribe Series E) under certain circumstances envisaged for these purposes, as described below;
- 3) The Underwriters and Distributors shall pay the Paying Agent before 14:00 hours (CET) on the Closing Date and value date that day, the nominal amount of the Securitisation Bonds of Series A1, A2a, A2b, B, C, D and E placed by each of these and, where appropriate, subscribed on their behalf up to their respective underwriting commitments, the Paying Agent crediting the Fund, before 15:00 hours (CET), value date that day, the amount paid by the Underwriters and Distributors and, where appropriate, subscribed on their behalf up to their respective underwriting commitments;
- 4) commitment to pay the default interest agreed in the contract in the event of delay in the payment of the amounts owed;
- 5) delivery to the subscribers of a document evidencing the subscription;
- 6) delivery to the Paying Agent of information regarding the extent of the placement of the Bonds of Series A1, A2a, A2b, B, C, D and E; and
- 7) other matters governing the underwriting and placement

The placement of the Securitisation Bonds of Series A1, A2a, A2b, B, C y D will be carried out during the Subscription Period, which shall take place between 11:00 and 12:00 hours on

November 24, 2005. The placement, and the allocation which each underwriter undertakes by virtue of the Bond Issue Management, Underwriting and Placement Agreement, shall be carried out freely by the underwriter, while ensuring that no discriminatory treatment is given to orders of similar characteristics, notwithstanding which the Underwriters and Distributors may give priority to orders from their clients as they see fit. The obligation assumed by the Underwriters and Placement Entities is of a joint and irrevocable nature, each being liable solely for the amount respectively underwritten.

Notwithstanding the above, the Underwriters and Distributors will be released from their underwriting commitment, and CAIXA CATALUNYA will be obliged to underwrite the whole of the Bond Issue, in the event that prior to 13:00 hours (CET) on the Business Day preceding the Closing Date, the Lead Managers DEUTSCHE BANK and IXIS CIB give written notice to the Gestora and CAIXA CATALUNYA of their jointly adopted decision to rescind the underwriting agreement due to occurrence of one of the circumstances provided for in this respect in the Bond Issue Underwriting and Placement Agreement. If the Lead Managers decide to rescind their underwriting commitment, any of the Underwriters and Placement Entities other than those two Lead Managers may maintain the underwriting commitment stipulated for each of these, by merely giving written notice to such effect to the Gestora and to CAIXA CATALUNYA prior to 13:00 hours (CET) on the Business Day preceding the Closing Date.

Without prejudice to the provisions of the preceding paragraph, the non-confirmation prior to the start of the Subscription Period of the provisional ratings granted to the Bonds by the Rating Agencies will give rise to the termination of the Bond Issue Underwriting and Placement Agreement.

As payment for the commitment undertaken by the Underwriters and Placement Entities, these shall receive an underwriting and placement commission, an estimate of which will be included as part of the initial expenses of the Fund. Each of the Bond Underwriters and Placement Entities will receive an underwriting and placement commission calculated on the basis of the nominal value of the Bonds of the Series each has underwritten. The commission will be between 0.02% and 0.07% for Bonds of the Series A1, A2a, A2b, B, C and D. The amount of the underwriting and placement fee accrued to each of the Underwriters and Distributors will be paid in a single payment on the Closing Date, once they have credited to the Fund the nominal amount of the Bonds placed by each of the Underwriters and Distributors and, where appropriate, subscribed on their behalf up to their respective underwriting commitments.

CAIXA CATALUNYA will exclusively subscribe all the Securitisation Bonds of Series E by virtue of the Management, Underwriting, Placement and Subscription Agreement and will assume the obligations contained therein in relation to the subscription of the Securitisation Bonds of Series E, namely the following: 1) commitment to subscribe the Securitisation Bonds of Series E in its own name; 2) to pay the Issuer before 15:00 hours (CET) on the Payment Date, value date that day, the total amount for the subscription of the Securitisation Bonds of Series E; 3) commitment to pay the default interest agreed in the contract in the event of delay in the payment of the amounts owed; and 4) other aspects governing the subscription of the Securitisation Bonds of Series E.

CAIXA CATALUNYA will receive no compensation for the commitment to subscribe Series E Securitisation Bonds.

The amount of the commission for underwriting each of Series A1, A2a, A2b, B, C and D expressed as a percentage will be determined by mutual agreement of the Lead Managers and notified in writing to the Gestora prior to 10:00 hours (CET) on the day of the Subscription Period (hereinafter, the “**Subscription Period**”, which will have a duration of 1 hour and will take place between 12:00 and 13:00 on November 23, 2005). If no agreement is forthcoming or notification is not given within the period envisaged, and without prejudice to such liabilities as may be derived therefrom, the Sociedad Gestora will set the underwriting and placement commission for which no agreement has been forthcoming or which has not been duly notified

at 0.02% of the nominal value of the Bonds of the corresponding Series, for the Bonds of the Series A1, A2a, A2b, B, C and D.

#### **4.2.3 Subscription Price**

The subscription price of the Securitisation Bonds of each Series will be 100% of its nominal value, free of taxes and subscription expenses for the subscriber by the Fund

#### **4.3 Legislation under which the securities have been created**

The formation of the Fund and the Bond Issue are subject to Spanish law and are carried out specifically in accordance with the legal regime established in (i) Royal Decree 926/1998 and its implementing provisions, (ii) Law 19/1992 as to matters not provided for in Royal Decree 926/1998 and insofar as applicable, (iii) Law 3/1994, (iv) the Securities Market Law and its implementing regulation, (v) Commission Regulation (EC) 809/2004 of 29 April 2004, and (vi) the rest of the legal and regulatory provisions in force that apply from time to time.

#### **4.4 Indication of whether the securities are in registered or bearer form and whether the securities are in certificated or book-entry form.**

The Bonds will be represented in book entry form and managed by the Sociedad de Gestion de los Sistemas de Registro, Compensación y Liquidación de Valores, IBERCLEAR (hereinafter "IBERCLEAR"), located at Calle Pedro Teixeira number 8, First floor, 28020 Madrid (Spain).

Regarding the abovementioned, the Deed of Establishment will have the effects described in article 6 of the Securities Market Law, in its prevailing version. The bondholders will be identified as a result of the accounting records performed by the participants in Iberclear.

#### **4.5 Currency of the issue**

The Bonds will be denominated in Euros.

#### **4.6 Classification of the securities according to the subordination rules**

4.6.1 Simple mention of the ranking of interest payments for the Bonds in each of the Series in the order of priority of payments of the Fund

Payment of the interest accrued by Class A Bonds (Series A1, Series A2a and Series A2b) ranks 3<sup>rd</sup> in the Order of Priority established in section 3.4.6.1 of the Additional Module and 4<sup>th</sup> in the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Module.

Payment of interest on Series B Bonds will rank 4<sup>th</sup> in the Order of Priority established in section 3.4.6.1 of the Additional Module and 6<sup>th</sup> in the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Module, unless the conditions set out in that section of the Prospectus for its deferral are fulfilled, in which case it will rank 8<sup>th</sup> in the Order of Priority.

Payment of interest on Series C Bonds will rank 5<sup>th</sup> in the Order of Priority established in section 3.4.6.1 of the Additional Module and 8<sup>th</sup> in the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Module, unless the conditions set out in that section of the Prospectus for its deferral are fulfilled, in which case it will rank 9<sup>th</sup> in the Order of Priority.

Payment of interest on Series D Bonds will rank 6<sup>th</sup> in the Order of Priority established in section 3.4.6.1 of the Additional Module and 10<sup>th</sup> in the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Module, unless the conditions set out in that section of the Prospectus for its deferral are fulfilled, in which case it will rank 10<sup>th</sup> in the Order of Priority.



Payment of interest on Series E Securitisation Bonds will rank 12<sup>th</sup> in both the Order of Priority established in section 3.4.6.1 of the Additional Module and in the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Module.

4.6.2 Simple mention of the ranking of principal payments for the Bonds in each of the Series in the priority order of payments of the Fund

The Withholding for redemption of Series A1, A2a, A2b, B, C and D will rank 7<sup>th</sup> in the Payment Priority Order established in section 3.4.6.1 of the Additional Module, and be subject to the rules established in section 3.9.2.5 of this Securities Note.

In the event of Early Liquidation, payment of the principal of Class A and Series B, C and D will rank 4<sup>th</sup>, 7<sup>th</sup>, 9<sup>th</sup> and 11<sup>th</sup>, respectively, in the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Module.

In the case of Securitisation Bonds of the Series E, payment of the principal of those Series E Securitisation Bonds will rank 13<sup>th</sup> in the Order of Priority established in section 3.4.6.1 of the Additional Module and 13<sup>th</sup> in the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Module.

#### **4.7 Description of the rights attached to the securities**

In accordance with prevailing legislation, the Bonds detailed in this Securities Note will offer no future or present rights to the investor over HIPOCAT 9 or its Gestora.

The economic and financial rights for the investor which are associated with the acquisition and holding of the Bonds will be those derived from the interest rates, yields and redemption prices with which the Bonds are issued and which are detailed in sections 3.8 and 3.9 below of this Securities Note.

The bondholders are subject, with respect to the payment of interest and repayment of principal of the Bonds of each Series, to the Order of Priority and the Liquidation Order of Priority of the Fund.

On each of the Payment Dates for the Bonds, the Paying Agent in accordance with the Paying Agency Agreement will execute a payment to the bondholders of the interest and the repayment of principal of the Bonds that the Gestora, in representation of the Fund, has determined in accordance with this Prospectus, after deducting, if applicable, the total amount of the withholding in respect of tax on investment income as required by current fiscal legislation, via payment of these amounts, value date that same day, through IBERCLEAR (the entity in charge of the book entry register of the Securitisation Bonds), in accordance with the provisions of Royal Decree 116/1992, in a timely manner and with the usual procedures.

The Gestora will notify the bondholders and the other ordinary creditors of the Fund of all those circumstances that could be of interest by publishing the relevant announcements within the terms established in section 4 of the Additional Module.

Bondholders of the Fund will have no recourse against the Sociedad Gestora, other than from non-performance of its functions or non-compliance with the provisions of this Prospectus, the Deed of Establishment and applicable laws and regulations.

Any dispute regarding the Fund that may arise during its operations or liquidation, either among Bondholders or between the Bondholders and the Sociedad Gestora, will be submitted to the courts and tribunals of Spain, the parties having waived any other forum that could otherwise be competent.

#### **4.8 The nominal interest rate and provisions relating to interest payable**

The Securitisation Bonds of each of the Series will accrue annual nominal interest at a variable rate calculated quarterly and paid quarterly on the Outstanding Principal Balance of the Securitisation Bonds in each Series, on each Payment Date provided that the Issuer has sufficient funds in the Treasury Account in accordance with the Order of Priority or with the Liquidation Order of Priority, as appropriate.

Withholdings, rates and taxes levied now or that may be levied in future on the capital, interest or returns of the Securitisation Bonds shall be solely for the account of the Bondholders and their amount shall be deducted, where appropriate, by the relevant entity in the manner laid down by law.

**a) Accrual of interest.**

The term of the issue will be divided into successive Interest Periods consisting of the actual days between each Payment Date, including in each Interest Period the Initial Payment Date and excluding the Final Payment Date. The duration of the first Interest Period will consist of the actual days elapsed from, and including, the Closing Date until, but excluding, the first Payment Date (April 17, 2006).

The Nominal Interest Rate ("**Nominal Interest Rate**") will accrue on the actual days existing in each Interest Period for which it has been calculated and interest will be calculated on the basis of a 360-day year.

**b) Nominal Interest Rate**

The Nominal Interest Rate accrued on each Series of Securitisation Bonds during each Interest Period will be equal to the sum of: (i) the Reference Interest Rate which shall be, as indicated in section c) below, the EURIBOR Reference Rate for maturity at three (3) months, except for the first Interest Period, which will be the rate resulting from linear interpolation between the EURIBOR Reference Rate for maturity at six (6) months and the EURIBOR Reference Rate for maturity at three (3) months, taking into account the number of days of the first Interest Period, or in the case of this being substituted, the rate described in section 4.8.4 below, and (ii) a margin for each of the Series with the following breakdown:

- for Series A1 Securitisation Bonds: between 0.02% and 0.07%, both inclusive.
- for Series A2a Securitisation Bonds: between 0.10% and 0.17%, both inclusive.
- for Series A2b Securitisation Bonds: between 0.10% and 0.17%, both inclusive.
- for Series B Securitisation Bonds: between 0.14% and 0.20%, both inclusive.
- for Series C Securitisation Bonds: between 0.20% and 0.35%, both inclusive.
- for Series D Securitisation Bonds: between 0.35% and 0.55%, both inclusive.
- for Series E Securitisation Bonds: 3.50%,

converted to an equivalent rate of interest for a year of 360 days and rounded off to the nearest thousandth of a percentage point or to the nearest higher thousandth of a percentage point if the differences to the nearest higher and lower thousandths of a percentage point are equal.

The margin applicable to the Securitisation Bonds of all series, stated as a percentage, shall be established by mutual agreement between the Lead Managers before 10:00 (CET) of the first day of the Subscription Period (November 28, 2005).

The final margin applicable to each of the Series of the Securitisation Bonds that may have been established shall be reported by fax to the Gestora by the Lead Managers before 10:30 (CET time) on November 28, 2005.

Failing an agreement or should the Gestora fail to receive the reports from the Lead Managers before the scheduled time, the Gestora shall establish the margin of the Securitisation Bonds, as set forth below:

- for Series A1 Securitisation Bonds: 0.07%
- for Series A2a Securitisation Bonds: 0.17%
- for Series A2b Securitisation Bonds: 0.17%
- for Series B Securitisation Bonds: 0.20%
- for Series C Securitisation Bonds: 0.35%, and
- for Series D Securitisation Bonds: 0.55%

The Gestora shall report said margins before commencement of the Subscription Period to the Lead Managers and to the Underwriter and Placement Entities, for these to so inform the investors interested in the subscription of the Securitisation Bonds. Additionally, the Gestora shall also report this to the CNMV as additional information to the Prospectus. The final margins applicable to the Securitisation Bonds shall be recorded in the Payment Certificate.

**c) Determination of the Reference Rate.**

The reference interest rate (the “**Reference Interest Rate**”) to be used to determine the nominal interest rate applicable to the Securitisation Bonds of each Series is as follows:

4.8.1.1.1 The EURIBOR rate (“EURO Interbank Borrowing Offered Rate”) will be the 3 month EURIBOR rate published on the “EURIBOR01” page of the REUTERS Screen (or such other page as may be substituted for it in this service), at 11.00 a.m. C.E.T. (Brussels time, Central European Time) at the Interest Determination Time (“Momento de Fijación de Tipo”), as described in Section d) below. The “EURIBOR01” page on the REUTERS screen is the one which shows the contents of the “EURIBOR01” page in the REUTERS MONITOR MONEY RATES SERVICE.

4.8.1.1.2 By way of exception, as contemplated in section 4.8 b), the Reference Interest Rate for the first Interest Period shall be that resulting from a linear interpolation between the EURIBOR rate for maturity at six (6) months and the EURIBOR rate for maturity at three (3) months, taking into consideration the number of days of the First Interest Period. To calculate the Reference Rate of the first Interest Period, the following formula will be used:

$$I = [(d-90)/90] \times E6 + \{1 - [(d-90)/90]\} \times E3$$

Where:

I = Reference Rate for the First Interest Period.

D = the number of days of the Interest Period.

E6 = Reference Rate EURIBOR at six (6) months.

E3 = Reference Rate EURIBOR at three (3) months.

4.8.1.1.3 At present, said EURIBOR rate is the rate offered for interbank deposits at term in Euro, calculated as the daily mean of quotations supplied by a panel of 57 of the more active banks in the Euro zone. The rate is quoted on the calculation base of actual days until maturity and a 360-day year, and it is set at 11.00 h., C.E.T. time, expressed with three (3) decimal figures.

4.8.1.1.4 The definitions relating to the EURIBOR rate which were approved by the European Banking Federation (FBE) and by the International Currency Exchange Association supplementary to

the current definition of the EURIBOR rate will be deemed introduced for the purposes of the Reference Rate relating to the EURIBOR rate without requiring the modification of these terms of the Reference Rate or notification of the Bondholders by the Gestora.

- 4.8.1.1.5 The Gestora will keep the contents lists from the REUTERS screen, or, as the case may be, the quotes published by the above mentioned institutions as accrediting documents for the EURIBOR rate.

**d) Interest Determination Time.**

The Nominal Interest Rate applicable to the Securitisation Bonds during each Interest Period will be set by the Gestora on behalf of the Issuer, on the second Business Day according to the TARGET (*TransEuropean Automated Real-Time Gross Settlement Express Transfer System*) calendar prior to each Payment Date, defined in Section 4.8.1 of this Securities Note, at 11.00 a.m. (C.E.T.) on such day (the "**Interest Determination Time**") and will be applied for the following Interest Period.

The Nominal Interest Rate for the Securitisation Bonds during the first Interest Period will be determined as described in section (c) above, on the basis of the Reference Interest Rate stipulated in that section, quoted at 11.00 a.m. (C.E.T.) on the second Business Day prior to the Closing Date, or on the immediately preceding Business Day if such day is not a Business Day according to the TARGET calendar, and it will be notified to the general public by a document issued by the Gestora to the Underwriters and Distributors for these to pass on the information to investors interested in subscribing for the Securitisation Bonds. The Gestora will also so notify the CNMV, the Paying Agent, Mercado AIAF and Iberclear in the form set out in Section 4.1.3.2 of the Additional Module.

The applicable nominal interest rates for all Series of Securitisation Bonds for the successive Interest Periods will be communicated to the Bondholders in the place and manner provided for in Section 4.1.3.1 of the Additional Module.

**e) Formula for the calculation of interest**

Interest payable on each Payment Date in respect of each Interest Period will be calculated according to the following formula:

$$I = P \times \frac{R}{100} \times \frac{d}{360}$$

Where:

*I* = Interest payable on the relevant Payment Date

*P* = Outstanding Principal Balance of the Securitisation Bonds of each Series on the first day of the Interest Period corresponding to the Payment Date.

*R* = Nominal Interest Rate expressed as an annual percentage.

*d* = Actual number of days elapsed during the relevant Interest Period.

*Rounded to the nearest centime.*

**4.8.1 Time limit on the validity of claims to interest and repayment of principal**

Interest on the Securitisation Bonds of all Series will be paid quarterly in arrear on January 15, April 15, July 15 and October 15 of each year (each a "**Payment Date**") until the Securitisation Bonds have been fully redeemed. The first Payment Date will take place on April 15, 2006.

In the event that any such day stated above is not a Business Day, payment of interest will be made on the immediately following Business Day and interest on the relevant Interest Period will accrue up to but excluding such Business Day.

For the purposes of this issue, "Business Days" will be considered as all those days that do not fall on:

- Saturday,
- Sunday,
- the days which are not Business Days under the TARGET Calendar and which include 25 December and 1 January; and
- a public holiday in Madrid and/or Barcelona.

Both the interest resulting in favour of bondholders of each Series, and, if applicable, the amount of interest accrued but not yet paid, will be notified to holders according to the description in section 4.1.3.1 of the Additional Module.

In the event that on a Payment Date, and despite the mechanisms established for the protection of the rights of the Bondholders, the Issuer does not have enough funds to make a full or a partial payment of interest accrued on the Securitisation Bonds of any Series in accordance with the Order of Priority the amount available will be paid in accordance with said Order of Priority. In the case that the Available Funds are only sufficient to partially satisfy the obligations of the Order of Priority, the amount available will be distributed proportionately among the Securitisation Bonds affected and the amounts not received by Bondholders on such date will be paid on the following Payment Date in which such payment is possible, without accruing additional interest.

Deferred interest shall accrue interest for bondholders equal to that applied to the Securitisation Bonds of the respective Series during the Interest Period(s) until the Payment Date on which the deferred interest is paid, without accruing default interest and without this implying capitalisation of the debt.

The Issuer, through the Gestora, will not be able to defer payment of interest or principal on the Securitisation Bonds until after the Final Repayment Date, July 15, 2038 or, if this day were not a Business Day, the following Business Day, in accordance with the redemption rules envisaged in section 3.9 below of this Securities Note.

#### 4.8.2 **Description of the underlying on which the rate is based and historical information about this.**

The reference interest rate (the "**Reference Interest Rate**") to be used to determine the nominal interest rate applicable to each of the Securitisation Bond Series is as follows:

The Euribor rate, "Euro InterBank Offered Rate" calculated and disseminated by the BRIDGE financial information system by order of the FBE ("Federation Bancaire de l'Union Europeene"), for three (3) months maturity fixed at 11:00 (CET) on the Interest Rate Determination Date described below, and which is currently published on electronic page EURIBOR01, supplied by REUTERS, and on electronic page 248, supplied by Dow Jones Markets (Bridge Telerate), or any other page that could replace these for this service.

At present, said EURIBOR rate is the rate offered for interbank deposits at term in Euros, calculated as the daily mean of quotations for fifteen terms to maturity supplied by a panel of 57 of the more active banks in the Euro zone. The rate is quoted on the

calculation base of actual days until maturity and a 360-day year, and it is set at 11.00 h., C.E.T. time, expressed with three (3) decimal figures.

The definitions relating to the EURIBOR rate which were approved by the European Banking Federation (FBE) and by the International Currency Exchange Association supplementary to the current definition of the EURIBOR rate will be deemed introduced for the purposes of the Reference Rate relating to the EURIBOR rate without requiring the modification of these terms of the Reference Rate or notification of the Bondholders by the Gestora.

For illustrative purposes only, set out below are the EURIBOR rates with maturity at three (3) months as quoted on the dates indicated by REUTERS, "EURIBOR01" page, as well as the Nominal Interest Rates which accordingly would be applicable to each of the Securitisation Bonds Series assuming the following margins: 0.03% for Series A1, 0.12% for Series A2a and Series A2b, 0.15% for Series B, 0.25% for Series C, 0.45% for Series D and 3.50% for Series E.

Interest Rate Determination Date	3 month EURIBOR	Series A1	Series A2a and A2b	Series B	Series C	Series D	Series E
		3 bps	12 bps	15 bps	25 bps	45 bps	350 bps
04/11/2005	2.265%	2.295%	2.385%	2.415%	2.515%	2.715%	5.765%
07/11/2005	2.274%	2.304%	2.394%	2.424%	2.524%	2.724%	5.774%
08/11/2005	2.297%	2.327%	2.417%	2.447%	2.547%	2.747%	5.797%
09/11/2005	2.305%	2.335%	2.425%	2.455%	2.555%	2.755%	5.805%
10/11/2005	2.324%	2.354%	2.444%	2.474%	2.574%	2.774%	5.824%
11/11/2005	2.321%	2.351%	2.441%	2.471%	2.571%	2.771%	5.821%
14/11/2005	2.323%	2.353%	2.443%	2.473%	2.573%	2.773%	5.823%
15/11/2005	2.350%	2.380%	2.470%	2.500%	2.600%	2.800%	5.850%
16/11/2005	2.350%	2.380%	2.470%	2.500%	2.600%	2.800%	5.850%
17/11/2005	2.350%	2.380%	2.470%	2.500%	2.600%	2.800%	5.850

#### 4.8.3 Description of any market disruption that affects the underlying

As described previously, the EURIBOR rate is the rate offered for interbank deposits at term in Euros, calculated as the daily mean of quotations for fifteen terms to maturity supplied by a panel of 57 of the more active banks in the Euro zone. Accordingly, the EURIBOR rate will fluctuate in line with the credit risk of the most active banks in the Euro zone.

#### 4.8.4 Adjustment rules for the underlying

In the absence or impossibility of obtaining the rate set out in section 4.8.2 above of this Securities Note, the substitute Reference Interest Rate to be applied will be a rate equal to the simple arithmetic mean of the interbank interest rates offered for (non-transferable) deposits in Euros with maturity at three (3) months at the Interest Determination Time, declared by the financial institutions listed below:

- Deutsche Bank AG, London branch
- Citibank, London branch
- J.P. Morgan Securities Ltd.

By way of exception, the substitute Reference Rate for the first Interest Period will be that resulting from the linear interpolation between the interest rate equal to the simple

arithmetic mean of the interbank interest rates offered for non-transferable deposits in Euros with maturity at three (3) months and the interest rate equal to the simple arithmetic mean of the interbank interest rates offered for non-transferable deposits in Euros with maturity at six (6) months, both for an amount equal to the nominal amount of the Bond issue, stated by the foregoing banking institutions at the Interest Determination Time of the first Interest Period.

In the event that it is not possible to apply the above substitute reference interest rate, due to the fact that one of the said institutions does not provide a continuous quotation, the interest rate to be applied will be the interest rate equal to the simple arithmetic mean of the interest rates quoted by the two remaining institutions.

And if one of the two remaining institutions above ceases to provide a continuous quotation, the interest rate to be applied will be the last Nominal Interest Rate applicable to the last Interest Period and will apply for all successive Interest Periods for as long as such circumstances continue, in accordance with the provisions of section 4.8.2. of this Securities Note.

#### **4.8.5 Calculation Agent**

The Calculation Agent for the interest of the Securitisation Bonds will be the Gestora, in accordance with the provisions of section 4.8, in representation of and on behalf of the Fund.

Without prejudice to the above, on each of the Interest Rate Determination Dates, the Paying Agent will notify the Gestora of the Reference Interest Rate, determined in accordance with sections 0 and 0 above of this Securities Note. The Gestora will maintain the listings and documents in which the Paying Agent notifies it of the determined Reference Interest Rate.

The financial service for the Issue of the Securitisation Bonds will be executed through the Paying Agent, for which the Gestora in the name of and in representation of the Fund, will subscribe a Paying Agency Agreement with CAIXA CATALUNYA.

#### **4.9 Maturity date and redemption of the securities**

##### **4.9.1 Redemption price**

The securities will be redeemed at 100% of the nominal value.

##### **4.9.2 Redemption date and types**

The date of legal maturity and final redemption of the Securitisation Bonds will be July 15, 2038 or, if this were not a Business Day, the following Business Day ("**Final Repayment Date**"), although the Gestora, acting for and on behalf of the Issuer, as provided for in section 4.4 of the Registration Document and subject to the Liquidation Order of Priority, may repay the issue early, in which case the Payment Date on which this occurs will be the Final Repayment Date of the Securitisation Bonds.

The Final Repayment Date is the date of payment thirty six (36) months after the payment date of the last First Drawdown of the Mortgage Loans.

Notwithstanding the above, the Issuer, through the Gestora, will partially repay the Securitisation Bonds as described below.

The partial repayment dates will coincide with the Interest Payment Dates, i.e., January 15, April 15, July 15 and October 15 of each year or, as the case may be, the following Business Day, until the Securitisation Bonds have been fully redeemed ("**Payment Dates**").

If the Pro Rata Repayment Conditions contemplated in section 4.9.2.5 (ii) above are not met, the various series shall be repaid with subordination among series as described below:

**(i) Repayment of Series A1 Securitisation Bonds:**

The principal of the Series A1 Bonds will be repaid through partial repayments from the first Payment Date (April 17, 2006) until their full nominal value has been repaid, for the amount of the Capital Repayment Fund applied on each Payment Date to the repayment of Series A1 in accordance with the rules for Distribution of the Capital Repayment Fund contemplated in section 3.9.2.5 of this Securities Note, which shall be distributed pro rata among the Series A1 Bonds by reducing the nominal value of each Series A1 Bond.

Notwithstanding the provisions of the preceding paragraphs, in any event, the final repayment of the Series A1 Bonds will be made on the Final Repayment Date (July 15, 2038), although the Gestora, acting for and on behalf of the Issuer, as provided for in section 4.4 of the Registration Document, may repay the Bond Issue prior to the Final Repayment Date, in which case the Payment Date on which this occurs will be the Final Repayment Date of the Securitisation Bonds.

**ii. Repayment of Series A2a and A2b Securitisation Bonds**

Series A2a and A2b Bonds shall be repaid through partial repayments, by pro rata reduction of the nominal amount of each Series A2a and Series A2b Bond, as from the last of the following dates: (i) the Payment Date on which the Series A1 Bonds are fully repaid; or (ii) the Payment Date of January 15, 2007.

As from the Payment Date resulting, pursuant to the preceding paragraph, the Series A2a and A2b Bonds will be partially repaid on each Payment Date by pro rata reduction of the nominal amount of each Series A2a and Series A2b Bond by the amount of the Capital Repayment Fund, in accordance with the rules for Distribution of the Capital Repayment Fund contemplated in section 3.9.2.5 of this Securities Note, which shall be distributed pro rata among the Series A2a and A2b Bonds by reducing the nominal value of each Series A2a and A2b Bond.

Notwithstanding the provisions of the preceding paragraphs, in any event, the final repayment of the Series A2a and A2b Bonds will be made on the Final Repayment Date (July 15, 2038), although the Gestora, acting for and on behalf of the Issuer, as provided for in section 4.4 of the Registration Document, may repay the Bond Issue prior to the Final Repayment Date, in which case the Payment Date on which this occurs will be the Final Repayment Date of the Securitisation Bonds.

**iii. Exceptional pro rata repayment of Class A Securitisation Bonds (Series A1, A2a and A2b).**

If, on the Determination Date immediately preceding the Payment Date in question, the Delinquency Ratio is over 1.5%, Class A Securitisation Bonds (Series A1, A2a and A2b and A2) will be repaid on a pro rata basis directly proportional to (a) the Outstanding Principal Balance of Series A1, and (b) the Outstanding Principal Balance for Series A2a and A2b reduced by the balance, if any, of the amount allocated to repay principal of Series A2a and A2b deposited in the Repayment Account, at the Determination Date preceding the Payment Date in question.

In this case, the Capital Repayment Fund will be allocated, in accordance with the pro rata rule described in the previous paragraph, as follows: (i) to the repayment of Series A1 and (ii) to the repayment of Series A2a and A2b or, if the Payment



Date in question is prior to [January 15, 2007], to the deposit of the amounts allocated to the repayment of the principal on Series A2a and A2b in the Repayment Account, as appropriate.

**iv. Repayment of Series B Securitisation Bonds:**

Once the Series A1, A2a and A2b Securitisation Bonds have been fully repaid, the Series B Securitisation Bonds will be partially repaid by pro rata reduction of the nominal amount of the Series B Bonds themselves on each Payment Date, until this is repaid in full, by the amount existing in the Capital Repayment Fund at that Payment Date.

The first repayment of Series B Securitisation Bonds will be made on the first Payment Date on which, after the Series A1, A2a and A2b Securitisation Bonds have been repaid in full, there is a positive balance in the Capital Repayment Fund.

The above notwithstanding, even though Class A Bonds have not been fully repaid, the Capital Repayment Fund shall also be allocated to the repayment of Series B Bonds on the Payment Date on which the conditions for Pro Rata Repayment are met in accordance with the rules for the Distribution of the Capital Repayment Fund, so that the ratio between the Outstanding Principal Balance of Series B Bonds and the sum of the Outstanding Principal Balance of Series A1, A2a, A2b, B, C and D Bonds remains at 4.40% or the nearest possible higher percentage.

The final repayment of Series B Securitisation Bonds will be made on the Final Repayment Date (July 15, 2038), although the Gestora, acting for and on behalf of the Issuer, as provided for in section 4.4 of this Registration Document, may repay this issue early, in which case the Payment Date on which this occurs will be the Final Repayment Date of the Securitisation Bonds.

**v. Repayment of Series C Securitisation Bonds:**

Once the Series A1, A2a, A2b and B Securitisation Bonds have been fully repaid, the Series C Securitisation Bonds will be partially repaid by pro rata reduction of the nominal amount of the Series C Bonds themselves on each Payment Date, until this is repaid in full, by the amount existing in the Capital Repayment Fund at that Payment Date.

The first repayment of Series C Securitisation Bonds will be made on the first Payment Date on which, after the Series A1, A2a, A2b and B Securitisation Bonds have been repaid in full, there is a positive balance in the Capital Repayment Fund.

The above notwithstanding, even though Class A and Series B Bonds have not been fully repaid, the Capital Repayment Fund shall also be allocated to the repayment of Series C Bonds on the Payment Date on which the conditions for Pro Rata Repayment are met in accordance with the rules for the Distribution of the Capital Repayment Fund, so that the ratio between the Outstanding Principal Balance of Series C Bonds and the sum of the Outstanding Principal Balance of Series A1, A2a, A2b, B, C and D Bonds remains at 3.66% or the nearest possible higher percentage.

The final repayment of Series C Securitisation Bonds will be made on the Final Repayment Date (July 15, 2038), although the Gestora, acting for and on behalf of the Issuer, as provided for in section 4.4 of this Registration Document, may repay this issue early, in which case the Payment Date on which this occurs will be the Final Repayment Date of the Securitisation Bonds.

**vi. Repayment of Series D Securitisation Bonds:**

Once the Series A1, A2a, A2b, B and C Securitisation Bonds have been fully repaid, as contemplated above, the Series D Securitisation Bonds will be partially repaid by pro rata reduction of the nominal amount of the Series D Bonds themselves on each Payment Date, until this is repaid in full, by the amount existing in the Capital Repayment Fund at that Payment Date.

The first repayment of Series D Securitisation Bonds will be made on the first Payment Date on which, after the Series A1, A2a, A2b, B and C Securitisation Bonds have been repaid in full, there is a positive balance in the Capital Repayment Fund.

The above notwithstanding, even though Class A and Series B and C Bonds have not been fully repaid, the Capital Repayment Fund shall also be allocated to the repayment of Series D Bonds on the Payment Date on which the conditions for Pro Rata Repayment are met in accordance with the rules for the Distribution of the Capital Repayment Fund, so that the ratio between the Outstanding Principal Balance of Series D Bonds and the sum of the Outstanding Principal Balance of Series A1, A2, A2a, A2b, B, C and D Bonds remains at 4.70% or the nearest possible higher percentage.

The final repayment of Series D Securitisation Bonds will be made on the Final Repayment Date (July 15, 2038), although the Gestora, acting for and on behalf of the Issuer, as provided for in section 4.4 of this Registration Document, may repay this issue early, in which case the Payment Date on which this occurs will be the Final Repayment Date of the Securitisation Bonds.

**4.9.2.1 Repayment of Series E Securitisation Bonds:**

The principal of Series E Securitisation Bonds shall be repaid through partial repayments on each of the Payment Dates according to the repayment rules described below and until their full nominal value has been repaid, for the amount of the Capital Repayment Fund applied on each Payment Date to the repayment of Series E, in accordance with the Order of Priority.

The partial repayment of Series E Securitisation Bonds will take place on each Payment Date originating the repayment of principal in accordance with the following rules:

1. Until the Payment Date on January 15, 2022, inclusive, the positive difference between the amount of the Required Reserve Fund on the previous Payment Date and the amount of the Required Reserve Fund on the Payment Date in question.
2. From the Payment Date on January 15, 2022, for the amount of the Available Funds, once the payments ranked 1<sup>st</sup> to 12<sup>th</sup> in the Payment Priority Order have been made.
3. Without prejudice to the above, Series E Securitisation Bonds shall be repaid for the amount of the Available Funds, once the payments ranked 1<sup>st</sup> to 12<sup>th</sup> in the Order of Priority have been made, prior to the Payment Date of January 15, 2022, if CAIXA CATALUNYA, being holder of all Series E Securitisation Bonds, provides the Gestora with prior, written notification thereof, prior to the Determination Date before any Payment Date.

Once this option has been notified, this shall be irreversible and, accordingly, from the Payment Date immediately following the notification made to the Gestora, Series E Securitisation Bonds shall be fully repaid for the amount of the

Available Funds, once the payments ranked 1<sup>st</sup> to 12<sup>th</sup> in the Order of Priority have been made.

The final repayment of Series E Securitisation Bonds will be made on the Final Repayment Date (July 15, 2038), although the Gestora, acting for and on behalf of the Issuer, as provided for in section 4.4 of this Registration Document, may repay this issue early, in which case the Payment Date on which this occurs will be the Final Repayment Date of the Securitisation Bonds.

#### **4.9.2.2 Outstanding Principal Balance of the Securitisation Bonds.**

The “**Outstanding Principal Balance of the Securitisation Bonds**” is the sum of the outstanding balances of all Series or, in connection with each Series, the outstanding balance of the Securitisation Bonds in that Series (i.e. the principal amount pending repayment on the Securitisation Bonds of said Series).

#### **4.9.2.3 Outstanding Balance of the Mortgage Portfolio. Delinquency Ratio**

The “**Outstanding Balance of the Mortgage Portfolio**” will comprise the total of the outstanding unmatured principal amount and the principal amount matured and unpaid of each one of the Mortgage Transfer Certificates, minus the entire amount of principal debited of First Drawdowns in arrears from more than eighteen (18) months or in enforcement of the mortgage security (if this enforcement process occurs provisionally before eighteen (18) months as from the commencement of delinquency).

The “**Outstanding Balance of the Mortgage Transfer Certificates**” will comprise the total of the outstanding unmatured principal amount and the principal amount matured and unpaid of each one of the Mortgage Transfer Certificates.

The “**Delinquency Ratio**” will be the ratio between (i) the Outstanding Balance of the Mortgage Transfer Certificates with a delinquency of more than ninety (90) days (excluding the Outstanding Balance of the Mortgage Transfer Certificates in arrears for more than 18 months and those the mortgages whereof have been foreclosed) and (ii) the Outstanding Balance of the Mortgage Portfolio.

#### **4.9.2.4 Capital Repayment Fund for Series A1, A2a, A2b, B, C and D.**

##### **a. Definition of and Provision for the Capital Repayment Fund**

The Securitisation Bonds of Series A1, A2a, A2b, B, C and D will be redeemed against the amounts in the Capital Repayment Fund on each Payment Date, in accordance with the rules for redemption described in sections 4.8 and 4.9 of the Security Note above, provided for and allocated in accordance with the Order of Priority contemplated in section 3.4.6.1 of the Additional Module.

The amount of the Capital Repayment Fund on a Payment Date will be equal to the sum of (i) the balance of the Repayment Account (or any account that may replace it) and (ii) the Provision for the Capital Repayment Fund on that Payment Date, effectively withheld, in accordance with the Order of Priority set out in section 3.4.6.1 of the Additional Module.

For these purposes, the maximum amount of the “**Provision for the Capital Repayment Fund**” on a given Payment Date will be equal to the positive difference between:

- (i) the sum of the Outstanding Principal Balance of the Securitisation Bonds of Series A1, A2a, A2b, B, C and D on the immediately preceding Determination Date; and
- (ii) the sum of (a) the Outstanding Balance of the Mortgage Portfolio and (b) the balance of the Repayment Account, both on the immediately preceding Determination Date.

The amount of the Capital Repayment Fund on a given Payment Date will be calculated on the immediately preceding Determination Date.

The Gestora will notify the Bondholders, in the manner contemplated in section 4 of the Additional Module, of the amount in the Capital Repayment Fund on each Payment Date, the actual prepayment rates of the Mortgage Loans, the amount of the Outstanding Principal Balance of the Securitisation Bonds, the estimated average residual life of the Securitisation Bonds and, where appropriate, the interest due and unpaid to the Bondholders.

**b. Allocation of the Capital Repayment Fund among the various Bond Series.**

The Capital Repayment Fund shall be allocated among the various Bond Series as follows (hereinafter “**Distribution of the Capital Repayment Fund**”):

A) Firstly, to the full repayment of the Outstanding Principle Balance of Class A Securitisation Bonds, in accordance with the rules for their repayment, as envisaged in section 4.8.2 of the Securities Note above.

Accordingly, the Capital Repayment Fund will be allocated:

- 1st Until full repayment of Series A1, the Capital Repayment Fund will be allocated to repayment of the principal of Series A1 Bonds.
- 2nd On the Payment Dates prior to the Payment Date of January 15, 2007, and once all Series A1 Bonds have been repaid, the surplus Capital Repayment Fund shall be deposited in the Repayment Account.

From and including the Payment Date of January 15, 2007, and once all Series A1 Bonds have been fully repaid, the Capital Repayment Fund shall be allocated to the repayment of principal on Series A2a and A2b Bonds by the pro rata reduction of the nominal amount of the Bonds of both series, until repayment has been completed, in accordance with the foregoing provisions.

The above notwithstanding, in accordance with the provisions of section 4.9.2.1 (iii), if, on the Determination Date immediately preceding the Payment Date in question, the Delinquency Ratio is over 1.5%, the Securitisation Bonds of Series A1, A2a and A2b will be repaid on a pro rata basis directly proportional to (a) the Outstanding Principal Balance of Series A1, and (b) the Outstanding Principal Balance for Series A2a and A2b, on a pro rata basis between the two series, reduced by the balance, if any, of the amount allocated to repay principal of Series A2a and A2b deposited in the Repayment Account, at the Determination Date preceding the Payment Date in question.

In this case, the Capital Repayment Fund will be allocated, in accordance with the pro rata rule described in the previous paragraph, as follows: (i) to the repayment of Series A1 and (ii) to the repayment of Series A2a and A2b, on a pro rata basis between the two series, or, if the Payment Date in question is prior to January 15, 2007, to the

deposit of the amounts allocated to the repayment of the principal on Series A2a and A2b in the Repayment Account, as appropriate.

B) The above notwithstanding, even though Class A may not have been fully repaid, the Capital Repayment Fund shall also be allocated to the repayment of Series B and/or Series C and/or Series D Bonds on the Payment Date that is not the final Payment Date nor the Issuer Liquidation Date and on which the following circumstances apply (“**Conditions for Pro Rata Repayment**”):

1) To carry out repayment of Series B If on the Determination Date immediately preceding the Payment Date in progress:

- i. The Outstanding Principal Balance of Series B Securitisation Bonds is equal to or higher than 4.40% of the sum of the Outstanding Principal Balance of Securitisation Bonds of Series A1, A2a, A2b, B, C and D, and
- ii. If the Delinquency Ratio is lower than 1.50% on the Determination Date immediately preceding the Payment Date in progress;
- iii. If the amount of the Reserve Fund on the preceding Payment Date is equal to the Required Reserve Fund on the preceding Payment Date in accordance with the provisions of section 3.4.2.1 of the Additional Module, and
- iv. If, on the Determination Date prior to the Payment Date in question, the Outstanding Balance of the Mortgage Transfer Certificates is higher than 10% of the Outstanding Balance of the Mortgage Portfolio on the Issuer Establishment Date.

2) To carry out repayment of Series C If on the Determination Date immediately preceding the Payment Date in progress:

- i. the Outstanding Principal Balance of Series C Securitisation Bonds is equal to or higher than 3.66% of the sum of the Outstanding Principal Balance of Securitisation Bonds of Series A1, A2a, A2b, B, C and D,
- ii. If the Delinquency Ratio is lower than 1.25% on the Determination Date immediately preceding the Payment Date in progress;
- iii. If the amount of the Reserve Fund on the preceding Payment Date is equal to the Required Reserve Fund on the preceding Payment Date in accordance with the provisions of section 3.4.2.1 of the Additional Module, and
- iv. If, on the Determination Date prior to the Payment Date

in question, the Outstanding Balance of the Mortgage Transfer Certificates is higher than 10% of the Outstanding Balance of the Mortgage Portfolio on the Issuer Establishment Date.

3) To carry out repayment of Series D If on the Determination Date immediately preceding the Payment Date in progress:

- i. the Outstanding Principal Balance of Series D Securitisation Bonds is equal to or higher than 4.70% of the sum of the Outstanding Principal Balance of Securitisation Bonds of Series A1, A2a, A2b, B, C and D,
- ii. If the Delinquency Ratio is lower than 1.00% on the Determination Date immediately preceding the Payment Date in progress;
- iii. If the amount of the Reserve Fund on the preceding Payment Date is equal to the Required Reserve Fund on the preceding Payment Date in accordance with the provisions of section 3.4.2.1 of the Additional Module, and
- iv. If, on the Determination Date prior to the Payment Date in question, the Outstanding Balance of the Mortgage Transfer Certificates is higher than 10% of the Outstanding Balance of the Mortgage Portfolio on the Issuer Establishment Date.

C) If, according to the provisions of rule b) above, the repayment of Series B and/or Series C and/or Series D is applicable on a Payment Date, the Capital Repayment Fund shall be allocated to the repayment of Series A1, A2a, A2b, B, C and D (or to the deposit of the amounts allocated to the repayment of the principal of Series A2a and A2b in the Repayment Account, as appropriate, in accordance with the provisions of section 4.8 of the Securities Note above) being distributed among these on a pro rata basis in proportion to:

- i. The Outstanding Principal Balance of Series A1,
- ii. the Outstanding Principal Balance for Series A2a and A2b, on a pro rata basis between the two series, reduced by the balance, if any, of the amounts allocated to repay principal of Series A2a and A2b deposited in the Repayment Account, at the Determination Date preceding the Payment Date in question.
- iii. The Outstanding Principal Balance of Series B and/or the Outstanding Principal Balance of Series C and/or the Outstanding Principal Balance of Series D, so that the Outstanding Principal Balance of Series B or of Series C or of Series D in relation to the sum of the Outstanding Principal Balances of Series A1, A2a, A2b, B, C and D remains, respectively, at 4.40%, 3.66% or 4.70%, or the nearest possible higher percentages.

D) If the Pro Rata Repayment Conditions are not met on any Payment Date, the repayment of Series A1, A2a, A2b, B, C and D shall be carried out with subordination among these, and the Capital Repayment Fund shall be allocated as set forth below:

- i. After the Outstanding Principal Balance of the Series A1, A2a and A2b Securitisation Bonds has been fully repaid, as envisaged in paragraph a) above, the Capital Repayment Fund will be allocated to repay the Outstanding Principal Balance of the Series B Securitisation Funds
- ii. After the Outstanding Principal Balance of the Series A1, A2a, A2b and B Securitisation Bonds has been fully repaid, the Capital Repayment Fund will be allocated to repay the Outstanding Principal Balance of the Series C Securitisation Funds
- iii. After the Outstanding Principal Balance of the Series A1, A2a, A2b, B and C Securitisation Bonds has been fully repaid, the Capital Repayment Fund will be allocated to repay the Outstanding Principal Balance of the Series D Securitisation Funds

#### 4.9.2.5 Determination Dates and Determination Periods

These will be the dates on which the Gestora, on behalf of the Issuer, will make the necessary calculations for determining the Outstanding Principal Balance of the Securitisation Bonds of each Series, Outstanding Balance of the Mortgage Portfolio and the other financial statistics of the Issuer, in accordance with this section of the Prospectus.

The “**Determination Date**” will be the date corresponding to the fifth (5th) Business Day prior to each Payment Date, and the consecutive periods falling between two successive Determination Dates will be known as “**Determination Periods**” including in each period the first Determination Date and excluding the final Determination Date.

Exceptionally, the first Determination Period will run from the Closing Date to the first Determination Date.

#### 4.9.3 Early Repayment of the Securitisation Bond Issue

Independently of the Fund's obligation, through the Gestora, to repay the Securitisation Bonds of each Series on the Final Repayment Date, (July 15, 2038, or if this is not a Business Day the following Business Day), or to execute partial repayments on each Payment Date, as detailed above, the Gestora is authorised to proceed with the Early Liquidation of the Fund and thus the Early Repayment (“**Early Repayment**”) on a Payment Date, of the entire Securitisation Bond Issue, in accordance with the Circumstances of Early Liquidation and with the requirements detailed under section 4.4 of the Registration Document and subject to the Liquidation Order of Priority.

#### 4.10 Indication of the yield

The main characteristic of Securitisation Bonds lies in that their periodical repayment depends on the aggregate behaviour of the Mortgage Loans.

The average life, return, duration and final repayment of the Securitisation Bonds of each Series depend on various factors, most notably the following:

- a) The schedule and system for repaying each Mortgage Loan, established in the relevant agreements.

- b) The capability of the Debtors to repay the Mortgage Loans early, partially or fully and the aggregate rate at which this early repayment takes place throughout the life of the Issuer.
- c) The floating interest rates applicable to each of the Mortgage Loans, which entail a variation in the amount of each repayment.
- d) The delinquency of the Debtors on the repayment of the Mortgage Loans.

Therefore the early repayments which the Mortgagors may decide to make, subject to the continuing changes and estimates in this Prospectus by means of the use of the future Constant Prepayment Rate (CPR or “**Constant Prepayment Rate**”), will impact directly on the rate of repayment of the Securitisation Bonds and therefore on their average life and duration.

To calculate the data on the tables appearing in this Section, the following hypotheses were assumed with respect to the factors described:

- a) 3 month Euribor of 2.350% has been used, and for the first Payment Date it has been interpolated with the 6 month Euribor of 2.492%, on November 17, 2005.
- b) With such Euribor rates, the annual Nominal Interest Rates applicable to the Securitisation Bonds of Series A1, A2a, A2b, B, C, D and E, variable quarterly, will remain constant throughout the life of the bonds at the following rates:

For the first Payment Date:

	Interpolated Euribor	Series A1 Securitisation Bonds	Series A2a and A2b Securitisation Bonds	Series B Securitisation Bonds	Series C Securitisation Bonds	Series D Securitisation Bonds	Series E Securitisation Bonds
<b>Nominal Interest Rate</b>	2.426%	2.456%	2.546%	2.576%	2.676%	2.876%	5.926%

For the following Payment Dates:

	Interpolated Euribor	Series A1 Securitisation Bonds	Series A2a and A2b Securitisation Bonds	Series B Securitisation Bonds	Series C Securitisation Bonds	Series D Securitisation Bonds	Series E Securitisation Bonds
<b>Nominal Interest Rate</b>	2.350%	2.380%	2.470%	2.500%	2.600%	2.800%	5.850%

- c) average weighted interest rate of the Mortgage Transfer Certificates portfolio: 3,42%;
- d) delinquency for more than thirty (30) days of the Mortgage Transfer Certificates portfolio: 0% per annum;
- e) defaults of the Mortgage Transfer Certificates portfolio: 0%;
- f) the Closing Date of the Securitisation Bonds is November 30, 2005;



- g) that there are no Mortgage Transfer Certificates deriving from First Drawdowns in Forbearance Period;
- h) That CAIXA CATALUNYA will exercise the option of accelerated repayment of the Series E Securitisation Bonds for the amount of the Available Funds which may be allocated in accordance with de Payment Priority Order.

Assuming that the Gestora proceeds to the Early Liquidation of the Issuer and Early Repayment of the Securitisation Bonds Issue when the Outstanding Balance of the Mortgage Loans is less than 10% of its initial amount at the establishment of the Fund, the average life, return (IRR), duration and final maturity of the Securitisation Bonds at different CPRs, based on the historical performance of the Mortgage Loans granted to corporate entities by CAIXA CATALUNYA, would be the following:

<b>Average life, return (IRR), duration and estimated final maturity at different CPRs</b>					
<b>A1</b>	<b>10%</b>	<b>12%</b>	<b>14%</b>	<b>16%</b>	<b>18%</b>
Average Life	0,93	0,81	0,73	0,66	0,61
IRR	2,47%	2,47%	2,47%	2,48%	2,48%
Duration	0,91	0,80	0,72	0,65	0,60
Estimated final maturity	1,87	1,62	1,38	1,13	1,13
<b>A2a</b>	<b>10%</b>	<b>12%</b>	<b>14%</b>	<b>16%</b>	<b>18%</b>
Average Life	7,64	6,66	5,89	5,25	4,71
IRR	2,53%	2,53%	2,53%	2,53%	2,53%
Duration	6,72	5,95	5,32	4,79	4,34
Estimated Final Life	15,63	13,88	12,38	11,14	9,88
<b>A2b</b>	<b>10%</b>	<b>12%</b>	<b>14%</b>	<b>16%</b>	<b>18%</b>
Average Life	7,64	6,66	5,89	5,25	4,71
IRR	2,53%	2,53%	2,53%	2,53%	2,53%
Duration	6,72	5,95	5,32	4,79	4,34
Estimated Final Life	15,63	13,88	12,38	11,14	9,88
<b>B</b>	<b>10%</b>	<b>12%</b>	<b>14%</b>	<b>16%</b>	<b>18%</b>
Average Life	10,58	9,44	8,23	7,51	6,63
IRR	2,56%	2,56%	2,56%	2,56%	2,56%
Duration	9,13	8,27	7,32	6,75	6,03
Estimated Final Life	15,63	13,88	12,38	11,14	9,88
<b>C</b>	<b>10%</b>	<b>12%</b>	<b>14%</b>	<b>16%</b>	<b>18%</b>
Average Life	10,58	9,44	8,23	7,51	6,63
IRR	2,67%	2,67%	2,67%	2,67%	2,67%
Duration	9,08	8,23	7,28	6,72	6,01
Estimated Final Life	15,63	13,88	12,38	11,14	9,88
<b>D</b>	<b>10%</b>	<b>12%</b>	<b>14%</b>	<b>16%</b>	<b>18%</b>
Average Life	10,58	9,44	8,23	7,51	6,63
IRR	2,87%	2,87%	2,87%	2,87%	2,87%
Duration	8,97	8,14	7,22	6,66	5,96
Estimated Final Life	15,63	13,88	12,38	11,14	9,88
<b>E</b>	<b>10%</b>	<b>12%</b>	<b>14%</b>	<b>16%</b>	<b>18%</b>
Average Life	1,50	1,50	1,51	1,52	1,53
IRR	6,08%	6,08%	6,08%	6,08%	6,08%
Duration	1,41	1,41	1,42	1,43	1,43

Estimated Final Life	2,88	3,13	3,13	3,13	3,13
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These figures have been calculated using the following formulae:

**Average life of the Securitisation Bonds:** for each of the Series, average period from the Closing Date until each of the Payment Dates, weighted according to the principal to be repaid at each Payment Date, over the total nominal amount of the Series, according to the following expression:

$$V = \frac{\sum (P \times d)}{T} \times \frac{1}{365}$$

Where:

- V = Average life of each Series of Securitisation Bonds issued stated in years.
- P = Amount of Principal to be repaid on each Securitisation Bond Series on each Payment Date, according to the amount to be repaid corresponding to each Securitisation Bond Series, in accordance with the provisions of the section of this Prospectus.
- D = Number of days elapsed from the Closing Date to the Payment Date in question.
- T = Total nominal amount in Euros of each Securitisation Bond Series.

**Internal Rate of Return (IRR):** for each Series, the interest rate that makes the present value of the total amounts of repayment and interest received on each Payment Date equal to the nominal value of the Bond.

$$N = \sum_{n=1}^T a_n * (1 + I)^{-\left(\frac{d_n}{365}\right)}$$

where,

- N = subscription price of the Bond.
- I = IRR expressed as an annual rate, as a decimal fraction of one.
- dn = Days included between the closing date of the First Securitisation Bond Issue and each Payment Date.
- an = a1,.....,an. Total repayment amounts (to maturity) and/or interest to be received by investors on an annual basis.
- n = 1,.....,t. Number of years in which the an amounts will be paid.

**Duration of the Securitisation Bonds (Macaulay formula adjusted):** for each Series, indicator of the sensitivity of the Bond price with respect to changes in the yield.

$$D = \frac{\sum_{j=1}^n (a_j \times VA_j)}{PE} \times \frac{1}{(1+i)}$$

Where:

- D = Duration of each Series of Bonds stated in years.
- aj = Time elapsed (in years) between the Closing Date and each of the relevant Payment Dates.
- VAj = Actual value of each of the amounts comprising principal and gross interest, to be paid on each of the Payment Dates, discounted at the actual interest rate (IRR) of each Series.
- PE = Issue price of each Securitisation Bond Series.
- i = Effective yield (IRR) of each Series, as a decimal fraction of one.

**Final maturity:** For each of the Series, the date on which final redemption of the Securitisation Bonds is envisaged, assuming Early Liquidation of the Issuer and Early Repayment of the Issue of

Securitisation Bonds of Series A1, A2a, A2b, B, C and D when the Outstanding Balance of the Mortgage Loans is less than 10% of the initial Outstanding Balance.

The Gestora expressly represents that the tables of the financial servicing of each of the Series which appear below are merely theoretical and for illustrative purposes only, and do not represent in any way an obligation to make a payment, noting that:

- The CPRs are assumed to be constant at 14% throughout the life of the Bond Issue and, as already mentioned, the actual prepayment rate is continuously changing.
- The Balance of Outstanding Principal on the Bonds on each Payment Date, and therefore the interest payable on each of these, will depend on the actual prepayment, delinquency and default rates of the Mortgage Loans.
- The nominal interest rates on the Securitisation Bonds are assumed to be constant for each Series from the second Interest Period and, as already stated, these Series all bear floating interest rates.
- However, the hypothetical values mentioned at the beginning of this section are assumed.
- It is assumed that CAIXA CATALUNYA will exercise the option of accelerated repayment of the Series E Securitisation Bonds for the amount of the Available Funds which may be allocated in accordance with the Payment Priority Order.
- It is assumed that the Gestora will proceed to the Early Liquidation of the Issuer and Early Repayment of the Issue of Securitisation Bonds of Series A1, A2a, A2b, B, C, D and E when the Outstanding Balance of the Mortgage Transfer Certificates is less than 10% of the initial Outstanding Balance at the establishment of the Fund.

CPR= 14%	Serie A1 (EURIBOR + 3pbs)			Serie A2a (EURIBOR + 12pbs)			Serie A2b (EURIBOR + 12pbs)			Series B (EURIBOR +15pbs)			Series C (EURIBOR + 25pbs)			Series D (EURIBOR + 45pbs)			Serie E (EURIBOR + 350pbs)		
	Principal	Gross Interest	Total	Principal	Gross Interest	Total	Principal	Gross Interest	Total	Principal	Gross Interest	Total	Principal	Gross Interest	Total	Principal	Gross Interest	Total	Principal	Gross Interest	Total
30-nov-05																					
17-abr-06	35.376	941	36.317		976	976		976	976		987	987		1.026	1.026		1.102	1.102	16.105	2.272	18.376
17-jul-06	20.069	389	20.458		624	624		624	624		632	632		657	657		708	708	9.306	1.241	10.547
16-oct-06	19.244	68	19.512		624	624		624	624		632	632		657	657		708	708	9.021	1.103	10.124
15-ene-07	18.451	152	18.604		624	624		624	624		632	632		657	657		708	708	8.748	970	9.718
16-abr-07	6.860	41	6.902	2.942	624	3.567	2.942	624	3.567		632	632		657	657		708	708	8.459	840	9.299
16-jul-07				4.608	606	5.214	4.608	606	5.214		632	632		657	657		708	708	8.217	715	8.932
15-oct-07				4.417	577	4.994	4.417	577	4.994		632	632		657	657		708	708	7.981	594	8.575
15-ene-08				4.234	556	4.790	4.234	556	4.790		639	639		664	664		716	716	7.832	481	8.313
15-abr-08				4.059	523	4.582	4.059	523	4.582		632	632		657	657		708	708	7.528	360	7.888
15-jul-08				3.890	498	4.388	3.890	498	4.388		632	632		657	657		708	708	7.319	248	7.568
15-oct-08				3.728	479	4.207	3.728	479	4.207		639	639		664	664		716	716	7.196	142	7.338
15-ene-09				3.573	455	4.029	3.573	455	4.029		639	639		664	664		716	716	2.287	34	2.321
15-abr-09				3.424	423	3.848	3.424	423	3.848		625	625		650	650		700	700			
15-jul-09				3.281	407	3.688	3.281	407	3.688		632	632		657	657		708	708			
15-oct-09				3.144	390	3.534	3.144	390	3.534		639	639		664	664		716	716			
15-ene-10				2.619	371	2.990	2.619	371	2.990	4.462	639	5.101	4.462	664	5.127	4.462	716	5.178			
15-abr-10				2.507	346	2.853	2.507	346	2.853	4.271	597	4.868	4.271	621	4.892	4.271	669	4.940			
15-jul-10				2.402	334	2.736	2.402	334	2.736	4.092	577	4.668	4.092	600	4.691	4.092	646	4.738			
15-oct-10				2.301	323	2.624	2.301	323	2.624	3.920	557	4.477	3.920	579	4.499	3.920	624	4.544			
17-ene-11				2.204	315	2.519	2.204	315	2.519	3.755	543	4.298	3.755	565	4.320	3.755	609	4.363			
15-abr-11				2.111	282	2.393	2.111	282	2.393	3.596	486	4.082	3.596	505	4.102	3.596	544	4.141			
15-jul-11				2.022	278	2.300	2.022	278	2.300	3.445	480	3.924	3.445	499	3.943	3.445	537	3.982			
17-oct-11				1.936	274	2.211	1.936	274	2.211	3.299	473	3.772	3.299	492	3.791	3.299	530	3.829			
16-ene-12				1.854	253	2.108	1.854	253	2.108	3.159	437	3.596	3.159	455	3.614	3.159	490	3.649			
16-abr-12				1.776	242	2.017	1.776	242	2.017	3.025	417	3.442	3.025	434	3.459	3.025	467	3.492			
16-jul-12				1.700	231	1.931	1.700	231	1.931	2.896	398	3.294	2.896	414	3.310	2.896	446	3.342			
15-oct-12				1.628	220	1.848	1.628	220	1.848	2.773	380	3.152	2.773	395	3.168	2.773	425	3.198			
15-ene-13				1.558	212	1.770	1.558	212	1.770	2.654	366	3.021	2.654	381	3.035	2.654	410	3.064			
15-abr-13				1.491	198	1.690	1.491	198	1.690	2.541	342	2.882	2.541	355	2.896	2.541	383	2.923			
15-jul-13				1.427	191	1.618	1.427	191	1.618	2.432	329	2.761	2.432	342	2.774	2.432	369	2.801			
15-oct-13				1.366	184	1.550	1.366	184	1.550	2.327	317	2.645	2.327	330	2.658	2.327	355	2.683			
15-ene-14				1.301	175	1.477	1.301	175	1.477	2.217	303	2.520	2.217	315	2.532	2.217	339	2.556			
15-abr-14				1.234	164	1.397	1.234	164	1.397	2.102	282	2.384	2.102	293	2.395	2.102	316	2.418			
15-jul-14				1.181	158	1.339	1.181	158	1.339	2.012	272	2.284	2.012	283	2.295	2.012	305	2.316			
15-oct-14				1.130	152	1.282	1.130	152	1.282	1.925	262	2.187	1.925	273	2.198	1.925	294	2.219			
15-ene-15				1.081	145	1.226	1.081	145	1.226	1.842	250	2.092	1.842	260	2.102	1.842	280	2.122			
15-abr-15				1.035	135	1.170	1.035	135	1.170	1.763	233	1.996	1.763	242	2.005	1.763	261	2.023			
15-jul-15				990	130	1.120	990	130	1.120	1.686	224	1.911	1.686	233	1.920	1.686	251	1.938			
15-oct-15				947	125	1.072	947	125	1.072	1.613	216	1.829	1.613	225	1.838	1.613	242	1.855			

CPR= 14%	Serie A1 (EURIBOR + 3pbs)			Serie A2a (EURIBOR + 12pbs)			Serie A2b (EURIBOR + 12pbs)			Series B (EURIBOR +15pbs)			Series C (EURIBOR + 25pbs)			Series D (EURIBOR + 45pbs)			Serie E (EURIBOR + 350pbs)		
	Principal	Gross Interest	Total	Principal	Gross Interest	Total	Principal	Gross Interest	Total	Principal	Gross Interest	Total	Principal	Gross Interest	Total	Principal	Gross Interest	Total	Principal	Gross Interest	Total
15-ene-16				906	119	1.025	906	119	1.025	1.543	206	1.749	1.543	214	1.757	1.543	230	1.774			
15-abr-16				866	112	979	866	112	979	1.476	194	1.670	1.476	201	1.677	1.476	217	1.693			
15-jul-16				829	107	935	829	107	935	1.411	184	1.596	1.411	192	1.603	1.411	206	1.618			
17-oct-16				792	105	897	792	105	897	1.350	181	1.531	1.350	188	1.538	1.350	203	1.553			
16-ene-17				757	97	854	757	97	854	1.290	167	1.457	1.290	174	1.464	1.290	187	1.477			
17-abr-17				724	92	816	724	92	816	1.234	159	1.392	1.234	165	1.399	1.234	178	1.412			
17-jul-17				692	88	780	692	88	780	1.179	151	1.330	1.179	157	1.336	1.179	169	1.348			
16-oct-17				662	83	745	662	83	745	1.127	144	1.271	1.127	149	1.276	1.127	161	1.288			
15-ene-18				632	79	711	632	79	711	1.077	136	1.214	1.077	142	1.219	1.077	153	1.230			
16-abr-18				12.036	75	12.111	12.036	75	12.111	20.505	130	20.635	20.505	135	20.640	20.505	145	20.650			
	<b>100.000</b>	<b>1.792</b>	<b>101.792</b>	<b>100.000</b>	<b>14.785</b>	<b>114.785</b>	<b>100.000</b>	<b>14.785</b>	<b>114.785</b>	<b>100.000</b>	<b>20.886</b>	<b>120.886</b>	<b>100.000</b>	<b>21.720</b>	<b>121.720</b>	<b>100.000</b>	<b>23.389</b>	<b>123.389</b>	<b>100.000</b>	<b>8.999</b>	<b>108.999</b>

#### **4.11 Bondholder representation**

For the securities included in this Issue no Bondholder Syndicate will be established. The Bondholders will be represented by the Gestora in accordance with the provisions of article 12 of Royal Decree 926/1998 of May 14, 1998.

#### **4.12 Resolutions, authorisations, and approvals for the securities issue**

The resolutions and agreements under which this Securitisation Bond issue is carried out, whose validity is material through the certifications sent to the CNMV, are those detailed below:

##### **4.12.1 Corporate resolutions**

###### **4.12.1.1 Resolution to assign Mortgage Loans through the issue of mortgage transfer certificates:**

The Board of Directors of CAIXA D'ESTALVIS DE CATALUNYA (“**CAIXA CATALUNYA**”) resolved, in its meeting held on July 26, 2005, to authorise the transfer of mortgage guarantee loans owned by CAIXA CATALUNYA through the issue of mortgage transfer certificates for their grouping or subscription by the Fund.

###### **4.12.1.2 Resolution to establish the Issuer and issue the Securitisation Bonds:**

The Board of Directors of GESTIÓN DE ACTIVOS TITULIZADOS, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A., SGFT in their meeting of September 27, 2005, resolved the establishment of HIPOCAT 9, FONDO DE TITULIZACIÓN DE ACTIVOS in accordance with the legal regime provided in Royal Decree 926/1992 and in the Law 19/1992, the grouping in the Issuer of the Mortgage Transfer Certificates issued by CAIXA CATALUNYA over the Mortgage Loans and the Issue of the Securitisation Bonds on account of the Issuer.

##### **4.12.2 Registration by the Comisión Nacional del Mercado de Valores**

This Prospectus (Registration Document and Securities Note) regarding the establishment of the Issuer and the issue of the Securitisation Bonds has been registered by the CNMV in its official registers on November 24, 2005.

##### **4.12.3 Execution of the public Deed of Establishment of the Issuer**

Once the CNMV has registered this Prospectus and prior to commencement of the Subscription Period for the Securitisation Bonds, the Gestora, together with CAIXA CATALUNYA, as issuing entity for the Mortgage Transfer Certificates to be subscribed by the Issuer, will execute the public Deed of Establishment of HIPOCAT 9, FONDO DE TITULIZACIÓN DE ACTIVOS, of the issue of and subscription for the Mortgage Transfer Certificates and of the issue of the Securitisation Bonds (the “**Deed of Establishment**”), under the terms provided under article 6 of Royal Decree 926/1998. This Deed of Establishment will be executed on the second Business Day subsequent to the date of registration of this Prospectus, i.e. November 25, 2005. A copy of this Deed of Establishment will be sent to the CNMV to be included in the official registers.

#### **4.13 Date of issue of the securities**

The date of issue for the Securitisation Bonds will coincide with the date of execution of the Deed of Constitution.

The securities have been issued to be acquired by qualified investors. The subscription of the Securitisation Bonds will take place during the Subscription Period, which will last for 1 hour between 11:00 and 12:00 hours (CET), on November 28, 2005 ("**Subscription Period**").

The Underwriters and Distributors mentioned in section 5.2 of the Registration Document, in accordance with the nature of the issue and the customary practices in these markets, may place the underwritten Securitisation Bonds at their discretion, according to the provisions of the Underwriting and Placement Agreement for the Securitisation Bond Issue between the Gestora and the Underwriters and Distributors, while ensuring that no discriminatory treatment is given to orders of similar characteristics, notwithstanding which the Underwriters and Distributors may give priority to orders from their clients as they see fit.

Payment for the Securitisation Bonds is on November 30, 2005 ("**Closing Date**") at an issue price of 100% of the nominal unit value.

On the Closing Date each Underwriter and Placer will pay the respective amount underwritten into the account opened in CAIXA CATALUNYA in the name of the Issuer, value date that same day.

Investors to whom the Securitisation Bonds have been allotted must pay the Underwriters and Distributors before 13:00 hours, Madrid time, on the Closing Date, value date that same day, the issue price of each Bond allotted.

Payment of the subscription commitments assumed by each Underwriter and Placer will be made before 14:00 hours, Madrid time, on the Closing Date, by each Underwriter and Placer paying the corresponding amount into the account opened in CAIXA CATALUNYA in the name of the Issuer, value date that same day.

#### **4.14 Restrictions on the free transferability of the securities.**

The Securitisation Bonds may be freely transferred in any manner permitted by law. The registration on the accounting records of the transfer to the purchaser will have the same effect as the delivery of the securities and from that moment the transfer will be enforceable against third parties.

## **5 AGREEMENTS FOR ADMISSION TO LISTING AND TRADING**

### **5.1 Market on which the securities will be traded**

The Gestora, for and on behalf of the Issuer, will apply to have the Issue listed on the AIAF Fixed Income Market so that the Securitisation Bonds can be traded no later than one (1) month after the Closing Date.

If this deadline is not met, the Gestora undertakes to reveal the reasons for this non-compliance to the CNMV and to the public by means of an announcement in a national newspaper or in the official AIAF bulletin, without prejudice to such liabilities as may arise from this and, in particular, without prejudice to the eventual contractual liability of the Gestora.

The Gestora, for and on behalf of the Fund, will request the inclusion of the Issue in the accounting register managed by the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, IBERCLEAR, so that its clearing and settlement is carried out in accordance with the operating rules applicable to securities quoted on the AIAF Fixed Income Market already in force or to be approved in the future by IBERCLEAR.

The Gestora hereby declares that it is aware of the requirements and conditions necessary for the listing, maintaining of and delisting of securities on the AIAF Fixed Income Market, according to applicable legislation and the requirements of its governing bodies and agrees to comply therewith.

## 5.2 Paying Agent and depository entities

The payment of interest and principal for the Securitisation Bond Issue within the scope of this Securities Note will be carried out by CAIXA CATALUNYA, located for these purposes in Plaza de Antoni Maura, número 6 (Barcelona), which has the capability to carry out these functions.

The interest on the Securitisation Bonds for each of the Series will be paid until their final redemption at the end of each Interest Period, on each of the Payment Dates, in accordance with the conditions established in section 4.8 of this Securities Note.

The Gestora, on behalf and for the account of the Issuer, will enter into a Paying Agency Agreement with CAIXA CATALUNYA to perform the financial services relating to the Securitisation Bonds being issued by the Issuer (the “**Paying Agency Agreement**”).

The obligations of CAIXA CATALUNYA (the “**Paying Agent**”) under the Paying Agency Agreement are summarised below:

1. a) To make payment to the Issuer before 15:00 hours (CET) on the Closing Date by paying into the Treasury Account of the Issuer, value date that day, the total amount for the subscription of the Securitisation Bond Issue which, according to the Underwriting and Placement Agreement, should be paid by the other Underwriters and Distributors plus the nominal amount of the Securitisation Bonds placed and, if applicable, subscribed on its own behalf in its condition as Underwriter and Distributor.
2. b) On the Closing Date, pay each of the Underwriters and Distributors the amount of the underwriting and placement fee accrued to each of these, once these in turn have paid the nominal amount of the Securitisation Bonds each has placed and, if applicable, subscribed on their own behalf up to their respective underwriting commitment.
3. c) to deliver to the Gestora information regarding the extent of the placement of the Securitisation Bonds Issue, on the basis of information provided for this purpose by each of the Underwriters and Distributors, using for this purpose the standard form established by the CNMV.
4. d) On each Payment Date of the Securitisation Bonds, make payment of interest and, where appropriate, repayment of principal on the Securitisation Bonds, after deduction of total withholding tax on investment income, in accordance with applicable tax legislation.
5. d) On each Interest Determination Date, to communicate to the Gestora the Reference Interest Rate which will be used as the basis of calculation for the Nominal Interest Rate applicable to each of the Securitisation Bond Series.

If, at any time during the life of the Securitisation Bonds, the credit rating of CAIXA CATALUNYA's short-term debt is downgraded according to the MOODY'S rating scale for short-term debt to below P1 or according to the FITCH rating scale for short-term debt to below F1 and/or if the continuation of CAIXA CATALUNYA as Paying Agent could give rise to a downgrade of the S&P ratings granted to each of the Bond Series, the Gestora, within a maximum of thirty (30) days, shall appoint as Paying Agent an entity whose short term debt has a minimum rating of P-1, F1 and A-1, according to the rating scales for MOODY'S, FITH and S&P respectively, which will assume the obligations undertaken until that date by CAIXA CATALUNYA.

If CAIXA CATALUNYA is replaced as Paying Agent, the Gestora will be authorised to modify the commission payable to the substitute entity which may be higher than the one agreed with CAIXA CATALUNYA in the Paying Agency Agreement.

In consideration for the services to be performed by the Paying Agent, the Issuer will pay to the Paying Agent on each Payment Date a fee of 0.05%, taxes included, of the amount to be paid to



Bondholders on each Payment Date for the duration of the Payment Agency Agreement, provided that the Issuer has enough resources and in accordance with the Order of Priority or, if appropriate, the Liquidation Order of Priority.

If the Issuer does not have sufficient resources to pay the whole of this fee, the amounts not paid shall be added, without penalty, to the fee payable at the next Payment Date, unless this lack of resources continues, in which case the amounts owed shall accumulate until their full payment on that Payment Date on which this situation has been resolved.

## 6 EXPENSE OF THE OFFER AND OF THE ADMISSION TO TRADING

The initial expenses of the Issuer will be paid with the amount of the Loan for Initial Expenses described in section 3.4.3.1 of the Additional Module. In this respect, a breakdown of estimated expenses for the Issuer at the present registration date are as follows:

<b>Expenses relating to the establishment of the Issuer and the issue of the Securitisation Bonds:</b>	<b>Euro</b>
Registration of the Prospectus with the CNMV	39,033.29
Supervision of the listing process by the CNMV	30,000
Fee for listing on the AIAF Fixed Income Market	52,200
Inclusion of the issue in the book entry system, IBERCLEAR	3,500
<b><i>Subtotal (listing expenses)</i></b>	<b>124,733.29</b>
Audit fees	28,536.00
Rating agencies fees	381,640
Notary fees, audit fees, rating, legal advice, advertising of the issue, printing and others	627,702.00
Underwriting and placement fees for the Issue of the Securitisation Bonds.	200,000
<b>Total expenses</b>	<b>1,363,171.21</b>

CAIXA CATALUNYA, DEUTSCHE BANK and IXIS CIB, acting as Lead Managers, do not receive any commission for the performance of their functions as Lead Managers.

## 7 ADDITIONAL INFORMATION

### 7.1 Statement of the capacity in which the advisors involved in the issue that are mentioned in the Securities Note have acted

- ∨ DEUTSCHE BANK, IXIS CIB and CAIXA CATALUNYA have acted as Lead Managers in accordance with article 35.1 of Royal Decree 1310/2005.
- ∨ In relation to their functions as Lead Managers IXIS CIB and CAIXA CATALUNYA, will be in charge of (i) direct the underwriting and distribution of the Securitisation Bonds, (ii) determine the margin of the Securitisation Bonds, (iii) coordinate the relations with potential investors and the rest of Underwriters and Distributors and (iv) perform any other functions established for those Lead Managers in the Management and Placement Agreement for the Issue of Securitisation Bonds.
- ∨ Additionally, DEUTSCHE BANK, as Lead Manager, jointly with the Gestora, have carried out the financial structuring of the Issuer and of the Securitisation Bond Issue.

- v J&A GARRIGUES S.L., as independent advisor, has provided legal advice for the operation and reviewed the tax implications.
- v Deloitte has audited the verification of a series of attributes of the selection of Mortgage Loans owned by CAIXA CATALUNYA from which the Mortgage Loans for the issue of Mortgage Transfer Certificates to be subscribed by the Issuer on establishment will be taken.

## 7.2 Other information in the Securities Note that has been audited or reviewed by auditors

The auditors have not reviewed this Securities Note.

## 7.3 Statements or reports attributed to a person as an expert

Deloitte has audited the loans selected under the terms included in section 2.2 of the Additional Module.

## 7.4 Information from third parties

Within its function to check the information contained in the Prospectus, the Gestora has received confirmation from CAIXA CATALUNYA, about the truthfulness of the characteristics of the Seller, the Mortgage Loans and the Mortgage Transfer Certificates, established in section 2.2.b) of the Additional Module, as the rest of information about the Seller and the Mortgage Transfer Certificates contained in this Prospectus. In the Deed of Establishment, the Seller will reiterate to the Gestora the compliance of said characteristics on the date of establishment.

The Gestora has reproduced exactly the information received from CAIXA VATALUNYA, in particular about the characteristics of itself, the Mortgage Loans and the Mortgage transfer Certificates, which are described in section 2.2 of the Additional Module, and subject to its knowledge about it and its capability to determine the information received from CAIXA CATALUNYA and the information published by CAIXA CATALUNYA, confirms that no fact that will make that the information reproduced is inexact or untruth, has been omitted, and that this Prospectus does not omit any significant facts or data that could be relevant for the investor.

## 7.5 Credit ratings assigned by the Rating Agencies

The Securitisation Bonds included in this Securities Note have been assigned the following ratings (“ratings”) by the following credit risk agencies (hereinafter, Moody’s, Fitch and Standard and Poor’s will be referred to jointly as the “Rating Agencies”):

	Moody’s	Fitch	Standard and Poor’s
Series A1	7. Aaa	AAA	AAA
Series A2a	Aaa	AAA	AAA
Series A2b	Aaa	AAA	AAA
Series B	Aa2	AA+	AA
Series C	A2	A+	A
Series D	Baa3	BBB+	BBB-
Series E	Caa3	CC	-

The rating assigned by S&P to the Securitisation Bonds of Series A1, A2a, A2b, B, C and D is an opinion of the agency relating to the credit risk, the capability of the Issuer to make timely payments of interest on each Payment Date and of the principal of the issue within the life of the transaction and always before its maturity (defined as the Final Repayment Date).

The ratings assigned by Fitch to the Securitisation Bonds measure the Issuer’s ability to make timely payments of interest on each Payment Date and of the principal of the issue within the life of

the transaction and always before the Final Repayment Date, in accordance with the conditions stipulated for each Series in the Prospectus and in the Deed of Establishment that allow the deferral of interest payments of the Securitisation Bonds of Series B, C and D under certain circumstances. This means that interest on these Securitisation Bonds might not be received for a period of time if the conditions established for its deferral are met, with this circumstance not being considered a default on payment of the Securitisation Bonds.

MOODY'S rating for this operation measures the expected loss before the Final Maturity Date of the Fund. In Moody's opinion the structure enables the timely payment of interest and payment of the principal over the life of the operation and always before its maturity on July 15, 2038 (defined as the Final Maturity Date).

MOODY'S rating takes into account the structure of the Securitisation Bond issue, the legal aspects of the issue and of the Issuer, the characteristics of the selected Mortgage Loans and the regularity and continuity of flows of the transaction.

MOODY'S ratings do not constitute a valuation of the probability that the Mortgagors make early repayments of capital, nor does it assess the extent to which such early repayments may differ from those originally envisaged. The ratings are in no way an indication of the rating of the actuarial level of income.

The assigned ratings, as well as any review or suspension of these:

- (i) are calculated by MOODY'S on the basis of various information which it receives, the accuracy and completeness of which MOODY'S does not guarantee so that MOODY'S is in no way responsible for this information; and
- (ii) do not constitute and, therefore, cannot be interpreted in any way as an invitation, recommendation or incitement directed to investors to carry out any type of transaction involving the Securitisation Bonds or, in particular, to purchase, keep, pledge or sell the Securitisation Bonds.

S&P has not expressed an opinion on Series E. S&P have not carried out a final analysis for the rating of Series E as finally this was not required.

The scale of ratings for long term debt employed by the agencies are as follows:

Credit rating granted by			Meaning
Standard and Poor's	Moody's	Fitch	
AAA	Aaa	AAA	Capacity to pay interest and repay principal is extremely strong  For Moody's, Aaa is the highest rating and the one with the lowest investment risk. Interest payments are covered by a wide or exceptionally wide margin and collection of the principal is assured. Although factors of protection are likely to change, this is not expected to alter the fundamental soundness of these issues.
AA	Aa	AA	Capacity to pay interest and repay principal is very strong  For Moody's, Aa rated securities are deemed high quality in all senses. They comprise, together with Aaa rated securities, the so-called high quality group. Their rating is below that for Aaa securities because their margin of protection is smaller. Variation in the factors of protection

			could be greater or there may be other factors suggesting that the long term risk is greater than that for Aaa rated securities.
A	A	A	<p>Strong capacity to pay interest and repay principal. Protection factors are deemed adequate but may be susceptible to worsening in the future.</p> <p>For Moody's, A rated securities have good qualities as investment instruments and should be considered medium-high quality debt. Factors providing security in terms of collection of capital and interest are adequate, but there may be factors suggesting a possible worsening in the future.</p>
BBB	Baa	BBB	<p>Interest and principal payment protection may be moderate, payment capacity is considered adequate. Adverse business conditions may lead to an inadequate capacity to meet interest and principal payments.</p> <p>For Moody's, Baa rated securities are deemed medium quality (neither very protected nor strongly backed). Interest and principal payments are seen as adequately protected but some factors of protection may not exist or not be very reliable in the long term. These securities lack qualities of excellence as investment instruments and in fact also have speculative characteristics.</p>
BB	Ba	BB	<p>Speculative grade. Cannot be assumed that the future is assured. Interest and principal payment protection is very moderate.</p> <p>For Moody's, Ba rated securities are considered to have speculative elements; their future is not secure. Often, interest and principal payments are very poorly protected and so could be vulnerable in the future. These securities are characterised by their situation of uncertainty.</p>
B	B	B	<p>The guarantee of interest and principal payment may be small. Highly vulnerable to adverse business conditions.</p> <p>For Moody's, B rated securities do not generally have the qualities desired of an investment instrument. Security of compliance with interest or principal payments or other contractual commitments may be limited in the long term.</p>
CCC	Caa	CCC	<p>Vulnerable to default. Payment continuity dependent on financial, economic, and business conditions being favourable</p> <p>For Moody's, Caa rated securities are of low quality. These issues may have defaulted on payments already or may include risk factors in terms of collection of capital and interest.</p>
CC	Ca	CC	<p>Highly speculative</p> <p>For Moody's, Ca rated securities are highly speculative instruments. They have frequently defaulted on payments or have other notable deficiencies.</p>

C	C	C	Current or imminent default .  For Moody's, C rated securities belong to the lowest category of rated securities and the possibility of these issues reaching investment value is remote.
D		DDD, DD, D	Speculative securities. Their value may not exceed the redemption value in the case of liquidation or sector restructuring.

- Fitch may add a plus (+) or minus (-) sign to a rating in categories AA to CCC to indicate a relative position within each category.
- Moody's applies the numerical modifiers 1, 2 and 3 to each rating category between Aa and Caa. Modifier 1 indicates securities which fall in the upper band of each general rating category, modifier 2 indicates securities which fall in the middle band of each rating category and modifier 3 those securities found in the lower band of each rating category.
- Standard & Poor's applies a plus (+) or minus (-) sign in categories AA to CCC to indicate the relative position within each category.

The scale of ratings for short term debt employed by the agencies are as follows:

Credit rating granted by			Meaning
Standard and Poor's	Moody's	Fitch	
A-1	P-1	F-1	The highest rating indicating that the likelihood of timely collection is very strong. For Standard & Poor's, it may be accompanied by the + symbol if the likelihood is extreme.  For Moody's, P-1 issuers have a superior capacity to meet, on a timely basis, their commitments on debt issued at less than one year. The solvency associated with P-1 issuers is often expressed through several of the following characteristics: 1) leading position in solid sectors; 2) high rate of return on capital employed; 3) conservative capital structure, with moderate reliance on the debt market and broad asset protection; 4) wide margins on coverage of financial charges from earnings and high internal generation of funds, and 5) strong ability to access financial markets and guaranteed alternative sources of cash.
A-2	P-2	F-2-{}-	The capacity to correctly service the debt is satisfactory, although the likelihood is not as strong as in the rating above.  For Moody's, P-2 issuers have a strong capacity to meet, on a timely basis, their commitments on debt issued at less than one year. This will usually be expressed through many of the characteristics mentioned in the previous category, but to a lesser extent. The trend for income and the rate of coverage, while solid, may be more variable. Capital structures, while appropriate, may be more affected by external conditions. Significant alternative liquidity.
A-3	P-3	F-3	Capacity for payment is satisfactory but greater vulnerability than the ratings above to adverse changes in circumstances

			For Moody's, P-3 issuers have an acceptable capacity to meet, on a timely basis, their commitments on debt issued at less than one year. The impact of the issuer's sector and market composition may be greater. Fluctuations in income and earnings may lead to changes in the level of debt protection rates and may require relatively high rates of leverage.
B	Not Prime	B	Normally indicates sufficient payment capacity, but adverse circumstances will seriously condition debt servicing.  For Moody's this means these issuers do not have the characteristics of any of the previous categories.
C	---	C	Rating assigned to short term debt with doubtful payment capacity
D	---	D	In default. Used when interest or principal payment has not been made on the due date, even if a grace period remains in force.

The rating is not a recommendation to buy, sell or hold securities. The rating may be reviewed, suspended or withdrawn at any moment by the rating agency.

The aforementioned credit ratings are only an estimate, and do not release potential investors from having to make their own analysis of the securities to be acquired.

If before the commencement of the Subscription Period, the Rating Agencies do not confirm any of the ratings granted provisionally, this circumstance will be communicated immediately to the CNMV and will be publicly announced in the manner envisaged in Section 4.1.3.2 of the Additional Module. This situation will give also rise to the termination of the establishment of the Issuer, of the issue of the Bonds and of the granting of the Initial Drawdowns.

The Gestora, for and on behalf of the Issuer, will periodically provide the Rating Agencies with regular information regarding the situation of the Issuer and the performance of the Mortgage Loans so they may monitor the credit ratings of the Securitisation Bonds. Also, it will provide this information whenever it is reasonably requested to do so and, in any case, when there is a change in the conditions of the Issuer, in the contracts entered into by the Gestora on behalf of the Issuer or in the interested parties.

## **SECURITIES NOTE**

### **(ADDITIONAL MODULE OF ASSET BACKED SECURITIES)**

(ANNEX VIII REGULATION 809/2004)

#### **1 SECURITIES**

##### **1.1 Minimum denomination of an issue**

The credit rights comprising the Issuer's assets at the time of its establishment will consist of principal in an amount equal to or slightly less than 1,000,000,000 euro.

##### **1.2 Confirmation that the information relating to an undertaking/obligor not involved in the issue has been accurately reproduced**

Not applicable.

#### **2 UNDERLYING ASSETS**

##### **2.1 Confirmation of the capacity of the securitised assets to produce the funds payable on the securities.**

In accordance with the information supplied by CAIXA CATALUNYA, verified by ratings the Rating Agencies, the Mortgage Transfer Certificates to be issued and which will be backed by the Mortgage Loans, have the characteristics (term, interest rate, mortgage guarantees) that demonstrate the capacity to produce funds to make the payments due and payable on the Securitisation Bonds, without prejudice to payments on the Securitisation Bonds by the Issuer having to be executed in accordance with the Order of Priority of Payments and with the Liquidation Order of Priority, and the subordination existing between the different Series.

Nevertheless, to cover possible payment defaults by the Mortgagors on the securitised assets, a series of credit enhancement operations are planned that will cover to varying extents the amounts payable to on the Securitisation Bonds of each Series and mitigate the different conditions of the interest clauses for the assets and for the Securitisation Bonds of each Series. In exceptional situations, the enhancement operations may prove to be insufficient. The credit enhancements are described in section 3.4.2 of this Additional Module.

Also, since not all of the Securitisation Bonds have the same risk of default, the Rating Agencies have assigned each of the Series the credit ratings set out in section 7.5 of the Securities Note.

Without prejudice to the above, the Gestora, upon prior notice to the CNMV, will be authorised to proceed to carry out the Early Liquidation of the Fund and hence the Early Redemption of the Securitisation Bonds under the circumstances and subject to the requirements set out in section 4.4.3 of the Registration Document.

##### **2.2 Assets backing the issue**

###### **a) Generic descriptions of the assets backing the issue**

CAIXA CATALUNYA is the owner of the credit rights derived from a portfolio of credit line opening agreements with mortgage guarantee on the customary residence for the acquisition of which the credit is requested, known as "Crédito Total", through which CAIXA CATALUNYA grants to

individuals resident in Spain (hereinafter, all the “**Mortgagors**”, and any of them, the “**Mortgagor**”) a credit facility up to a certain limit and date (hereinafter the “**Mortgage Loans**”).).

The outstanding balance of the first drawdowns of the selected mortgage loans included in the provisional portfolio at October 18, 2005 was 1,204,172,075.50 euro, arising from 9,748 First Drawdowns on which the Mortgage Transfer Certificates will be issued.

By virtue of the Deed of Establishment, the credit rights which will form the assets of the Issuer through the issue by CAIXA CATALUNYA of the Mortgage Transfer Certificates and their subscription by the Gestora in the name and on behalf of the Issuer, will only be the credit rights owned by CAIXA CATALUNYA arising in its favour from the first or initial amounts drawn against said loans by each of the Mortgagors (hereinafter the “**First Drawdowns**”).

The Mortgage Transfer Certificates forming the Issuer will be represented by registered certificates issued in the name of the Issuer.

The Mortgage Transfer Certificates will be issued pursuant to Additional Provision 5 of Law 3/1994, as restated by article 18 of Law 44/2002.

The total nominal value of the issue of Mortgage Transfer Certificates will be at least equal to the total nominal amount of the Bond issue. Each Mortgage Transfer Certificate represents one hundred per cent of the principal and of the (ordinary or default) interest to be repaid and accrued, respectively.

The Mortgage Loans have been audited by Deloitte España, S.L. registered in the R.O.A.C. with number S0692 and with registered office in Madrid, Plaza Pablo Ruiz Picasso, 1. The aforementioned audit covers a series of attributes, both quantitative and qualitative, of the selected mortgage loans, specifically: Identification of the first drawdown, address of the mortgaged property, date of formalisation of the first drawdown of the credit, date of maturity of the first drawdown of the credit, amount of the first drawdown of the credit, current balance of the first drawdown of the credit, initial interest rate, interest rate applied, purpose of the first drawdown of the credit, appraisal value, maximum mortgage loan / appraisal value ratio, security interest by way of first mortgage and payment delays.

The Auditors' Report was performed using sampling techniques through the analysis of a number of transactions (sample) lower than the total selection of transactions (population) making it possible to draw a conclusion on that population. The verification relates to the attributes described above. Loans with errors detected in the check of the sample will not be included by CAIXA CATALUNYA in the issue of the Mortgage Transfer Certificates.

In particular, notwithstanding the specific characteristics in section 2.2.b) below, the First Drawdowns to be assigned to the Issuer fulfil the requirements demanded for the issue of Mortgage Transfer Certificates and have the following main features:

- the purpose of the First Drawdown to be securitised through the issue of the corresponding Mortgage Transfer Certificate is to buy a main residence.
- all First Drawdown are secured by first ranked mortgages or, where appropriate, with subsequent ranking although CAIXA CATALUNYA holds documents pertaining to the cancellation of the debts originated by previous mortgages, although the cancellation of their registration is pending, over the acquired residence, which is valid and in effect and not subject to any limitations, and the various drawdowns have *pari passu* ranking;
- the Mortgage Loans are secured by first priority mortgages and the making of the First Drawdowns is recorded in the deeds granting the mortgages which are registered with the corresponding Property Register;



- the Mortgagors of the Mortgage Loans may, on up to five occasions and never for a period exceeding 12 months or in the aggregate 36 months, apply for periods of grace for the repayment of principal and interest on the First Drawdowns (“**Forbearance Periods**”), provided that all the drawdowns of the Mortgage Loan are up to date in payment, (as appropriate, with the limits and requirements stipulated in the respective Mortgage Loans), so that there may be First Drawdowns that do not give rise to the payment of interest or repayment of principal during a period of time. Interest accrued during the Forbearance Period is capitalized at the end of the Forbearance Period. The maximum initial amount of the Mortgage Loan may never be exceeded as the consequence of the interest capitalized during the Forbearance Period. If after the Forbearance Period is granted, an increase in the reference rate of interest gives rise to an excess over the maximum amount of the Mortgage Loan, the duration of the Forbearance Period will be reduced for the time necessary to avoid the excess over the initial maximum amount; Throughout this Prospectus “**First Drawdowns in Forbearance Period**” shall be understood to be the Outstanding Balance of the Mortgage Transfer Certificates representing First Drawdowns in Forbearance Period;
- the maximum limit of each Mortgage Loan whose First Drawdown is securitised by the Mortgage Transfer Certificates is up to 100% of the appraisal value of the residence guarantor or of its sale price if lower.

In addition to the First Drawdowns, the Mortgagor is authorised to make successive drawdowns on terms different from those of the First Drawdown (term, use, instalments, equivalent annual rate (EAR), receipts or repayment schedule), for different maturity periods, with the possibility of making use of the funds which have been repaid and those of which use has not been made before the maturity of the Mortgage Loan. Successive drawdowns are not granted automatically but are subject to checking by CAIXA CATALUNYA of the following particulars: (i) non-existence of defaulted instalments of drawdowns already made or other defaults of the Mortgage Loan, and (ii) the total outstanding risk, taking the additional drawdown requested into account, should not exceed 80% of the appraisal value of the residence or of the sale price, if lower, even when the First Drawdown was granted for an appraisal value of over 80%. The grant of additional drawdowns may also be denied if the applicant’s debt/income ratio exceeds 40% as the result of the additional drawdown requested. During the last four (4) years of the term of the Mortgage Loan, the additional drawdowns requested may not only not exceed the maximum amount of the Mortgage Loan but also their maximum amount will be obtained in accordance with the following formula:

$\text{New Limit} = \text{Number of months until maturity} \times (\text{Limit agreed for Subsequent Drawdowns}/48)$
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The new limit of the maximum amount of the Mortgage Loan will only affect the additional drawdowns requested, even if the Mortgagor exceeds the new limit as the result of previous drawdowns.

The maximum term of the successive drawdowns, always without exceeding the maturity date of the Mortgage Loan, will be (i) up to 30 years if used to buy a residence, as is the case of the First Drawdowns, and (ii) 10 years for any other use, although it is recommended that the maturity of transactions intended for consumption should be adapted to the useful life of the goods acquired. The maximum term of the Mortgage Loan may not exceed 35 years, the First Drawdown not to exceed 30 years.

The credit rights deriving from the subsequent amounts lent under the Mortgage Loan other than the First Drawdown are not part of the Mortgage Transfer Certificates forming the Issuer.

The repayment of each drawdown (including the First Drawdown) will be made in equal instalments (French system), consisting of capital and interest calculated on the basis of such amount and period, which will vary in accordance with any changes to the interest rate.

Payments made by the Mortgagors are imputed to matured instalments in order of time in arrear, giving priority to the payment of the interest over the principal of each instalment.

The Mortgage Loans will be transferred by CAIXA CATALUNYA to the Issuer through the issue of Mortgage Transfer Certificates (the “**Mortgage Transfer Certificates**”) in accordance with the individual characteristics of each Mortgage Loan.

In this Prospectus, the term “**Mortgage Loans**” will be used in some definitions to make general reference to the Mortgage Loans and Mortgage Transfer Certificates jointly, except where reference is specifically made to the Mortgage Transfer Certificates per se.

**b) Characteristics of the Seller, the Mortgage Loans and the Mortgage Transfer Certificates**

1. CAIXA CATALUNYA is a credit institution duly established in accordance with prevailing legislation and is registered on the Companies Register. CAIXA CATALUNYA is authorised to participate in the mortgage market.
2. CAIXA CATALUNYA has never been and is not as at the date of the Prospectus in the situation of insolvency or other arrangement with creditors or in any event that, giving rise to liability, may lead to the revocation of the authorization as a credit institution.
3. CAIXA CATALUNYA is in possession of audited accounts for the last three financial years and has at least the Auditors' unqualified favourable opinion in the last financial year and that it has filed the annual accounts for the last tax year with the CNMV.
4. CAIXA CATALUNYA has obtained all the necessary administrative authorizations from third parties and the administrative bodies of CAIXA CATALUNYA have validly adopted all the resolutions necessary to assign the First Drawdowns, to issue the Mortgage Transfer Certificates, and to execute validly the Deed of Establishment of the Issuer and the ancillary contracts.
5. The Mortgage Transfer Certificates are issued in market conditions and in accordance with Law 2/1981, Royal Decree 685/1982, Law 19/1992, the Fifth Addendum to Law 3/1994, as restated by article 18 of Law 44/2002, and other applicable legislation and meet all requirements established therein.
6. The Mortgage Loans do not comply with all the requirements laid down in Section II of Law 2/1981. Specifically, the First Drawdowns may reach up to a maximum of 100% of the appraisal value of the mortgaged residences or of the sale price if this is lower, there may not be valid damage insurance that covers the appraisal value of the residences, or the established property mortgage may not be a first mortgage at the time of issue.
7. The Mortgage Loans and their First Drawdowns exist and have been made, and that they are valid and enforceable pursuant to the applicable legislation.
8. CAIXA CATALUNYA has full title to all the Mortgage Loans and of the underlying property mortgages and there is no impediment for the issue of the Mortgage Transfer Certificates for an amount equal to the respective First Drawdowns as contemplated in Article 61 of Royal Decree 685/1982 of March 17.
9. The information on the Mortgage Transfer Certificates, the First Drawdowns and, in general, the Mortgage Loans included in the Deed of Establishment and its Annexes faithfully and accurately, save for involuntary error or omission, reflect the position of the First Drawdowns, Mortgage Loans and Mortgage Transfer Certificates and said information will be complete and accurate and will not lead to error.
10. Each of the Mortgage Loans is secured by a mortgage over full ownership of each and every one of the properties in question, these being first priority mortgages or, where appropriate,

with subsequent ranking although CAIXA CATALUNYA holds documents pertaining to the cancellation of the debts originated by previous mortgages, although the cancellation of their registration is pending, and without the mortgaged properties being subject to prohibitions on disposal, conditions awaiting resolution or any other limitation of ownership and that, as a consequence of the assignment of the First Drawdowns, co-ownership is established over the mortgage.

11. All of the Mortgage Loans are formalized in a public deed which records the first drawdown made by the mortgagor from the borrowed funds and giving rise to the First Drawdown; that all the Mortgages are duly established and registered in the corresponding Property Registers in which the drawdown of the First Drawdown will also be stated. The registration of the mortgaged properties is in force and unchallenged and is not subject to any right ranking higher than the mortgage in accordance with applicable legislation.
12. The Mortgagors have the option of applying to CAIXA CATALUNYA for additional drawdowns up to the limit of the Mortgage Loan, provided that the outstanding balance of all drawdowns at that time does not exceed 80% of the appraisal value of the mortgaged residence or of the sale price, if lower, even though the first drawdown was granted for an amount higher than 80% of the appraisal value.
13. In accordance with the terms of the Mortgage Loans, the payments made by the Mortgagors are credited to the overdue instalments according to time in arrear.
14. All the Mortgagors are individuals resident in Spain on the date of the establishment of the mortgage.
15. The First Drawdown arising from a Crédito Total or Crédito Total Primera Vivienda has been granted to finance, secured by a mortgage on the property, the purchase, building or renovation of the completed usual residence located in Spain.
16. The mortgages are granted over properties which are under the full ownership of and belong to the respective borrowers, and CAIXA CATALUNYA is not aware of any litigation relating to the ownership of the properties which may have adverse effects on the mortgages.
17. All the mortgaged residential properties have been appraised by appraising entities duly registered in the official register of the Bank of Spain and approved by CAIXA CATALUNYA, and the appraisal has been accredited through the corresponding appraisal certificate. The appraisals fulfil all the prevailing requirements of mortgage market legislation.
18. All the properties mortgaged to secure the Mortgage Loans and that are transferred to the Issuer by the issuance of Mortgage Transfer Certificates are covered, at least on the date of execution of the deed of establishment of the respective mortgage, by an insurance for damages, the insured amount of which covers the appraised value of the properties, excluding elements that are not insurable by nature. The information initially included relating to the insurance taken by the Mortgagors is complete and accurate. In the case of mortgaged properties with Mortgage Loans for which such insurance is lacking due to expiration, cancellation or any other cause, CAIXA CATALUNYA shall be liable to the Issuer for the economic consequences that may arise from the absence of insurance.
19. The Mortgage Loans are not represented by any securities whether registered, bearer or to order, other than the Mortgage Transfer Certificates which will be issued for their grouping in the Issuer.
20. As from the date of issue of the Mortgage Transfer Certificates, the Mortgage Loans will not be subject to any issues of Securitisation Bonds or mortgage participations and Mortgage Transfer Certificates.
21. On the Establishment Date, none of the Mortgage Loans will have payments more than one (1) month overdue.

22. CAIXA CATALUNYA is not aware, at the date of execution of the Deed of Establishment, that any of the Mortgagors of the Mortgage Loans has any credit rights against CAIXA CATALUNYA which may confer the right to seek compensation.
23. The information contained in this Prospectus regarding the Mortgage Transfer Certificates portfolio, the Mortgage Loans, the First Drawdowns and the statistical information included in this Prospectus is complete and faithfully reflects reality.
24. Both the granting of the Mortgage Loans as well as the issue of the Mortgage Transfer Certificates and all the related aspects have been carried out or will be carried out according to market criteria.
25. CAIXA CATALUNYA has duly followed the criteria contained in the Internal Memorandum described in this Prospectus and attached to the Public Deed of Establishment of the Issuer in granting each of the Mortgage Loans and in accepting, if necessary, the subrogation of subsequent debtors in the position of the first borrower.
26. All the deeds establishing mortgages over the residential property to which the Mortgage Loans refer are duly kept in CAIXA CATALUNYA's files, available to the Gestora for and on behalf of the Issuer, and all the Mortgage Loans and the First Drawdowns are clearly identifiable both in computerised files and in the deeds.
27. On the day of issue, the outstanding principal balance of each of the First Drawdowns is equal to the nominal value of the Mortgage Transfer Certificate to which it corresponds. The total nominal value of the Mortgage Transfer Certificates will be at least equal to the nominal amount of the issue of the Securitisation Bonds.
28. From the moment of their granting, the Mortgage Loans have been and will be administered by CAIXA CATALUNYA in accordance with usual, established procedures.
29. CAIXA CATALUNYA is not aware of any litigation of any type in relation to the Mortgage Loans which may impair their validity or may give rise to the application of article 1,535 of the Civil Code or to the existence of circumstances that may give rise to the ineffectiveness of the agreement to acquire the mortgaged residence securing the Mortgage Loans.
30. CAIXA CATALUNYA is not aware that the premiums accrued on the insurance which has been contracted at the beginning of the execution of the Mortgage Loans and whose standard term is one year, referred to in item 18 above, have not been fully paid.
31. The Mortgage Loans, in an amount corresponding to the outstanding balance of the First Drawdown, have been transferred to the Issuer (excluding commissions, which will continue to correspond to CAIXA CATALUNYA) in accordance with the provisions of Circular 4/2004 of December 22 from the Bank of Spain, without prejudice to their recording and to the effects that partial or full subscription of the Securitisation Bonds may have for CAIXA CATALUNYA pursuant to that Circular.
32. The Mortgage Transfer Certificates are issued for the same term until maturity and with the same interest as each of the Mortgage Loans to which they correspond, and that the final repayment dates of all the First Drawdowns are at least thirty six (36) months before the Final Repayment Date of the Securitisation Bonds.
33. On the Closing Date, none of the First Drawdowns will be in a Forbearance Period.
34. At the date of execution of the Deed of Establishment, CAIXA CATALUNYA is unaware that the value of any mortgaged property has diminished by over 20% of the appraisal value.
35. At the date of execution of the Deed of Establishment, CAIXA CATALUNYA has not received any notice of early repayment of the First Drawdowns.

36. At the date of execution of the Deed of Establishment, no persons have any preferential right over the Issuer, as holder of the Mortgage Transfer Certificates, to collect amounts deriving from the First Drawdowns.
37. The real properties mortgaged under the Mortgage Loans do not have the status of assets excluded from admission as security pursuant to article 31.1.d) of Royal Decree 685/1982, neither do the Mortgage Loans meet any of the features of excluded or restricted credit facilities pursuant to article 32 of Royal Decree 685/1982.
38. On the date of execution of the Deed of Establishment of the Issuer, none of the Mortgage Loans contains clauses that stipulate maximum interest rates that restrict the amount of the interest rate applicable to the Mortgage Loan.
39. At the date of execution of the Deed of Establishment, at least three instalments of each of the Mortgage Loans have matured.
40. It is not aware of the existence of any circumstance that may impede enforcement of the mortgage guarantee.
41. After the issue of the Mortgage Transfer Certificates, the outstanding principal of the mortgage bonds issued by CAIXA CATALUNYA does not exceed 90% of the outstanding capital of the mortgage loans on its portfolio, after deducting those attached to other mortgage-backed securities.
42. No issue of mortgage-backed securities carried out by CAIXA CATALUNYA is outstanding.
43. The payment obligations of all the Mortgage Loans are made by direct debit from a bank account.
44. The frequency of payments of interest and repayments of principal is monthly.
45. The final repayment date of the Mortgage Loans is in no case later April 30, 2035.
46. All Mortgage Loans are denominated and payable exclusively in Euros.
47. None of the Mortgage Loans has been granted for state subsidized housing or housing whose price is protected by law.
48. With respect to the Mortgage Loans and the First Drawdowns, Caixa Catalunya complies with the personal data protection law.

**2.2.1** The mentioned characteristics of the Seller, the Mortgage Loans and the Mortgage Transfer Certificates will be required on the date of establishment of the Fund. **Legal jurisdiction by which the pool of assets is governed**

The Mortgage Transfer Certificates relating to the Mortgage Loans will be issued in accordance with the laws of Spain.

**2.2.2 General characteristics of the Mortgagors**

All the Mortgagors are private individuals.

The First Drawdowns will be taken from a selection comprised of 9,748, whose outstanding principal at October 18, 2005 amounted to 1,204,172,075.50 euro, and with unpaid due principal amounting to 242,602.88 euro which represents 0.02% of total principal pending repayment. The details of the most significant characteristics of the First Drawdowns of the selected Mortgage Loans are described in section 2 of this Additional Module.

Those first drawdowns of the CAIXA CATALUNYA portfolio in relation to which errors are detected during the audit will not be transferred on the date the Issuer is established.

**2.2.2.1 Indication of historical levels of Forbearance Period use and the current situation of the operations which have requested this.**

As described in section 2.2 above, Forbearance Periods are periods in which capital is not repaid and interest not paid on the First Drawdowns of the Mortgage Loans. Interest accrued during Forbearance Periods is capitalised.

The maximum initial amount of the Mortgage Loan may never be exceeded as a consequence of the interest capitalized during the Forbearance Period. If, after the Forbearance Period is granted, an increase in the reference rate of interest results in the maximum amount being exceeded, the duration of the Forbearance Period will be reduced as necessary to prevent the maximum amount being exceeded.

Forbearance periods may not be granted on more than five occasions, for more than 12 months, or for more than 36 months in total.

CAIXA CATALUNYA will refuse forbearance periods in any of the following circumstances:

- The Mortgagor has not satisfied when due (and without accruing default interest) the 12 repayment instalments prior to the request for a forbearance period;
- The Mortgagor is in default in respect of other operations with CAIXA CATALUNYA or any other entity;
- If any of the causes of resolution and early redemption contained in the contract arise, and CAIXA CATALUNYA does not grant early redemption of the loan.
- If the residence backing the mortgage is sold and the buyer subrogates the loan.

When CAIXA CATALUNYA grants a forbearance period, this determines the amount of the new monthly payment taking into account the amount of the interest capitalised during the forbearance period and the reduced number of instalments to maturity.

Number of forbearance periods requested:	6,803 (since June 1997)
Number of operations affected by forbearance periods:	6,026
Number of forbearance periods concluded:	6,249
Number of forbearance periods in progress:	554

Source: Caixa Catalunya at August 2, 2005

At August 2, 2005, First Drawdowns affected by Forbearance Period represented 8.58% (6,026 out of 70,218) of Crédito Total operations.

The following table shows the distribution of First Drawdowns in Forbearance Period by duration.

### Duration of forbearance periods

Duration of the forbearance period (months)	Number of operations	%
1	388	5.70%
2	1,090	16.02%
3	1,349	19.83%
4	1,009	14.83%
5	727	10.69%
6	781	11.48%
7	451	6.63%
8	185	2.72%
9	137	2.01%
10	111	1.63%
11	72	1.06%
12	503	7.39%
<b>Total</b>	<b>6,803</b>	<b>100.00%</b>

Source: Caixa Catalunya. At August 2, 2005

The following table shows information regarding the situation, at the date this Prospectus was registered, of the first drawdowns which have requested and concluded a forbearance period.

### Situation of drawdowns which have requested and concluded a forbearance period

Number of forbearance periods concluded	Percentage	State of the First Drawdown	Objective situation
1,417	22.68%	In progress	No delays in payment
793	12.69%	In progress	Receipt unpaid for a period of less than 3 months
0	0%	In progress	In default for more than 3 months
47	0.75%	In progress	In default for more than 1 year
3,985	63.77%	Cancelled	
0	0%	Lawsuit in progress	Amounts unpaid from more than 3 months ago (lawsuit with date of claim)
7	0.11%	Lawsuit in progress	Amounts unpaid from more than 1 year ago (lawsuit with date of claim)
<b>Total = 6,249</b>			

Source: Caixa Catalunya. At August 2, 2005

#### 2.2.2.2 Tables showing distribution of the Mortgage Loans

The tables in the following sections show the distribution of the Mortgage Loans comprising the audited portfolio by geographical location, date of formalisation, date of redemption, current balance, current rate, reference rate, appraisal value, maximum mortgage loan / appraisal value ratio, and delinquency. These tables have been produced with information available as at October 18, 2005.

**It is expressly noted that the tables in the sections that follow reflect information on the provisional portfolio of the first drawdowns of the mortgage loans, prepared as at October 18, 2005, which was the subject of the audit report and from which the first drawdowns to be assigned to the Issuer on the Date of Establishment of the Issuer will be taken. The First Drawdowns that will finally be acquired by the Issuer through the subscription of the Mortgage Transfer Certificates will be indicated in the Deed of Establishment of the Issuer.**



## 1. Classification by outstanding principal balance

Portfolio of First Drawdowns at October 18, 2005						
Classification of First Drawdowns by outstanding principal balance						
Range of outstanding principal (euro)	First Drawdowns	%	Initial balance	%	Principal outstanding	%
1 - 50,000	1,648	16.82	65,214,439.49	5.14	43,767,055.49	3.63
50,001 - 100,000	2,142	21.81	178,812,520.81	14.09	165,421,787.78	13.7
100,001 - 150,000	2,498	25.41	323,517,285.18	25.49	312,409,669.60	25.9
150,001 - 200,000	2,320	23.74	412,107,217.76	32.47	401,577,030.14	33.4
200,001 - 250,000	813	8.77	182,913,825.33	14.41	178,547,836.13	14.8
250,001 - 300,000	206	2.18	57,864,995.89	4.56	55,915,329.23	4.64
300,001 - 350,000	59	0.63	19,877,857.00	1.57	19,021,597.65	1.58
350,001 - 400,000	28	0.3	10,908,260.00	0.86	10,283,418.41	0.85
400,001 - 450,000	10	0.08	4,465,770.00	0.35	4,235,233.73	0.35
450,001 - 500,000	12	0.15	5,839,222.00	0.46	5,615,900.53	0.47
500,001 >=	12	0.12	7,684,900.00	0.61	7,377,216.81	0.61
<b>Total:</b>	<b>9,748</b>	<b>100</b>	<b>1,269,206,293.46</b>	<b>100</b>	<b>1,204,172,075.50</b>	<b>100</b>

**Minimum outstanding principal balance:** 15,001.30  
**Maximum outstanding principal balance:** 775.135.89  
**Average outstanding principal balance:** 123,530.17

## 2. Classification by initial balance

Portfolio of First Drawdowns at October 18, 2005						
Classification by initial balance						
Range of outstanding principal (Euro)	First Drawdowns	%	Initial balance	%	Principal outstanding	%
1 - 50,000	1,396	14.1	46,569,199.72	3.67	35,803,508.88	2.97
50,001 - 100,000	2,174	22.1	168,877,319.68	13.31	156,271,873.47	13
100,001 - 150,000	2,550	26.05	321,736,701.61	25.35	308,442,904.50	25.6
150,001 - 200,000	2,349	24.06	410,293,022.08	32.33	399,741,356.58	33.2
200,001 - 250,000	885	9.51	195,715,889.83	15.42	188,428,085.87	15.7
250,001 - 300,000	246	2.59	67,468,305.54	5.32	62,730,554.97	5.21
300,001 - 350,000	69	0.75	22,394,103.00	1.76	21,049,155.83	1.75
350,001 - 400,000	36	0.37	13,456,860.00	1.06	12,124,347.17	1.01
400,001 - 450,000	11	0.1	4,751,770.00	0.37	3,904,747.88	0.32
450,001 - 500,000	12	0.14	5,771,222.00	0.45	5,262,923.34	0.44
500,001 >=	20	0.23	12,171,900.00	0.96	10,412,617.01	0.86
<b>Total:</b>	<b>9,748</b>	<b>100</b>	<b>1,269,206,293.46</b>	<b>100</b>	<b>1,204,172,075.50</b>	<b>100</b>

**Minimum initial balance:** 16,300.00  
**Maximum initial balance:** 910,000.00  
**Average initial balance:** 130,201.71

### 3. Classification by interest rate

Portfolio of First Drawdowns at October 18, 2005						
Classification by interest rate						
Interest range (%)	First Drawdowns	%	Initial balance	%	Principal outstanding	%
<= 2.50	4	0.07	758,233.00	0.06	739,176.97	0.06
2.51 - 3.00	1,818	19.49	298,195,661.70	23.49	282,173,391.89	23.4
3.01 - 3.50	3,763	37.73	507,102,954.93	39.95	484,520,631.62	40.2
3.51 - 4.00	3,333	33.99	377,805,315.92	29.77	357,330,442.88	29.7
4.01 - 4.50	637	6.66	66,115,646.97	5.21	61,529,922.93	5.11
4.51 - 5.00	180	1.95	18,627,442.79	1.47	17,437,772.00	1.45
5.01 - 5.50	12	0.1	519,038.15	0.04	361,481.30	0.03
5.51 - 6.00	1	0.02	82,000.00	0.01	79,255.91	0.01
<b>Total:</b>	<b>9,748</b>	<b>100</b>	<b>1,269,206,293.46</b>	<b>100</b>	<b>1,204,172,075.50</b>	<b>100</b>

Minimum interest rate: 2.36%

Maximum interest rate: 5.80%

Average interest rate: 3.43%

### 4. Classification by date of formalisation

Portfolio of First Drawdowns at October 18, 2005						
Classification by date of formalisation						
Quarter and year of formalisation	First Drawdowns	%	Initial balance	%	Principal outstanding	%
1994 2Q	5	0.05	265,647.35	0.02	106,443.07	0.01
1994 3Q	2	0.04	72,121.45	0.01	46,966.55	0
1994 4Q	2	0.01	81,136.64	0.01	39,313.15	0
1995 1Q	6	0.06	262,642.30	0.02	158,319.38	0.01
1995 2Q	9	0.11	412,775.13	0.03	204,329.12	0.02
1995 3Q	10	0.11	486,519.31	0.04	259,937.67	0.02
1995 4Q	4	0.05	139,434.82	0.01	73,016.05	0.01
1996 1Q	6	0.08	297,801.50	0.02	142,965.31	0.01
1996 2Q	10	0.12	445,770.69	0.04	202,538.71	0.02
1996 3Q	29	0.29	1,429,146.71	0.11	809,512.65	0.07
1996 4Q	37	0.36	1,307,201.39	0.1	732,823.30	0.06
1997 1Q	34	0.42	1,543,200.79	0.12	739,654.65	0.06
1997 2Q	40	0.4	1,717,422.17	0.14	950,985.24	0.08
1997 3Q	47	0.42	1,782,109.10	0.14	964,848.70	0.08
1997 4Q	52	0.55	2,150,914.21	0.17	1,344,650.74	0.11
1998 1Q	54	0.57	1,964,047.48	0.15	1,323,434.06	0.11
1998 2Q	33	0.33	1,607,202.56	0.13	951,685.55	0.08
1998 3Q	30	0.3	1,049,607.53	0.08	721,285.07	0.06
1998 4Q	38	0.41	1,354,470.94	0.11	846,672.50	0.07
1999 1Q	42	0.39	1,860,841.71	0.15	1,246,291.89	0.1
1999 2Q	58	0.6	2,173,066.27	0.17	1,482,969.38	0.12
1999 3Q	68	0.75	3,160,644.03	0.25	2,207,129.27	0.18
1999 4Q	86	0.89	4,442,007.05	0.35	2,904,456.08	0.24
2000 1Q	71	0.75	3,463,845.26	0.27	2,555,799.69	0.21
2000 2Q	84	0.82	4,476,255.69	0.35	3,389,286.28	0.28
2000 3Q	68	0.69	4,176,040.16	0.33	3,097,239.12	0.26
2000 4Q	70	0.67	4,027,051.57	0.32	2,807,953.32	0.23
2001 1Q	75	0.74	4,903,363.27	0.39	3,946,566.28	0.33
2001 2Q	68	0.71	3,993,797.55	0.31	3,081,843.73	0.26
2001 3Q	40	0.44	2,327,118.85	0.18	1,598,227.78	0.13
2001 4Q	92	0.96	6,095,128.20	0.48	4,944,398.58	0.41
2002 1Q	61	0.63	4,874,782.34	0.38	4,145,770.63	0.34

<b>Portfolio of First Drawdowns at October 18, 2005</b>						
<b>Classification by date of formalisation</b>						
2002 2Q	95	0.82	8,196,203.74	0.65	6,890,620.01	0.57
2002 3Q	63	0.62	5,288,396.89	0.42	4,737,460.70	0.39
2002 4Q	112	1.2	10,654,698.05	0.84	9,444,641.37	0.78
2003 1Q	154	1.68	14,707,994.20	1.16	13,417,799.67	1.11
2003 2Q	193	2.06	18,871,856.08	1.49	17,361,183.91	1.44
2003 3Q	136	1.36	15,291,344.23	1.2	14,250,168.85	1.18
2003 4Q	221	2.23	26,482,222.70	2.09	24,241,530.13	2.01
2004 1Q	437	4.58	53,749,197.05	4.23	50,524,825.00	4.2
2004 2Q	665	6.96	90,676,470.30	7.14	84,956,576.30	7.06
2004 3Q	880	9.48	125,061,706.75	9.85	119,937,012.17	9.96
2004 4Q	2,387	24.09	356,916,162.65	28.12	345,645,352.58	28.7
2005 1Q	2,347	23.82	363,702,698.04	28.66	355,178,734.71	29.5
2005 2Q	727	7.37	111,264,228.76	8.77	109,558,856.60	9.1
<b>Total:</b>	<b>9,748</b>	<b>100</b>	<b>1,269,206,293.46</b>	<b>100</b>	<b>1,204,172,075.50</b>	<b>100</b>

**Earliest formalisation date:** April 21, 1994

**Latest formalisation date:** April 29, 2005

**Weighted average formalisation date:** August 7, 2004

5. Classification by final repayment date of the first drawdown

<b>Portfolio of First Drawdowns at October 18, 2005</b>							
<b>Classification by date of final repayment of the first drawdown</b>							
<b>Year of final repayment</b>	<b>First Drawdowns</b>	<b>%</b>	<b>Initial balance</b>	<b>%</b>	<b>Principal outstanding</b>	<b>%</b>	
2007	4	0.04	421,159.27	0.03	71,376.29	0.01	
2008	9	0.08	532,973.86	0.04	180,252.20	0.01	
2009	48	0.41	2,454,138.56	0.19	986,943.44	0.08	
2010	70	0.77	3,053,048.85	0.24	1,355,179.93	0.11	
2011	79	0.82	2,867,382.61	0.23	1,576,990.83	0.13	
2012	109	1.12	4,443,751.42	0.35	2,585,770.17	0.21	
2013	113	1.19	5,483,963.91	0.43	3,465,656.19	0.29	
2014	156	1.49	7,914,854.80	0.62	5,638,751.22	0.47	
2015	120	1.11	5,821,856.73	0.46	4,374,684.04	0.36	
2016	130	1.38	7,096,612.89	0.56	5,376,097.79	0.45	
2017	108	1.07	5,327,048.59	0.42	3,818,289.74	0.32	
2018	113	1.19	6,915,575.10	0.54	5,199,527.16	0.43	
2019	209	2.18	15,526,037.73	1.22	13,141,023.61	1.09	
2020	149	1.54	11,481,856.56	0.9	10,064,914.98	0.84	
2021	90	0.93	6,164,295.90	0.49	5,105,472.49	0.42	
2022	99	0.92	8,638,464.84	0.68	6,763,852.27	0.56	
2023	130	1.34	9,767,123.57	0.77	8,699,137.88	0.72	
2024	315	3.44	32,685,203.70	2.58	30,339,083.29	2.52	
2025	189	1.87	18,188,695.36	1.43	17,185,843.08	1.43	
2026	79	0.81	8,356,305.98	0.66	7,502,717.50	0.62	
2027	117	1.18	13,174,318.43	1.04	11,782,909.18	0.98	
2028	171	1.62	17,887,646.50	1.41	16,424,614.87	1.36	
2029	389	4.09	48,450,263.70	3.82	46,251,703.26	3.84	
2030	312	3.02	35,873,255.15	2.83	34,382,950.09	2.86	
2031	133	1.28	15,706,763.49	1.24	14,470,687.13	1.2	
2032	240	2.42	30,357,429.57	2.39	28,248,371.79	2.35	
2033	449	4.79	57,541,401.27	4.53	54,515,971.29	4.53	
2034	3,237	33.35	494,239,316.57	38.94	478,844,614.63	39.8	
2035	2,381	24.53	392,835,548.55	30.95	385,818,689.16	32	
<b>Total:</b>	<b>9,748</b>	<b>100</b>	<b>1,269,206,293.46</b>	<b>100</b>	<b>1,204,172,075.50</b>	<b>100</b>	
<b>Weighted average final repayment date:</b> October 13, 2032							
<b>Earliest repayment date:</b> May 31, 2007							
<b>Latest repayment date:</b> April 30, 2035							

**6. Classification by the ratio between the principal on formalisation of the First Drawdown and the appraisal value**

<b>8. Portfolio of First Drawdowns at October 18, 2005</b>						
<b>Classification by the ratio between the principal on formalisation of the First Drawdown and the appraisal value</b>						
<b>Range for the ratio Initial balance/ appraisal value</b>	<b>First Drawdowns</b>	<b>%</b>	<b>Initial balance</b>	<b>%</b>	<b>Principal outstanding</b>	<b>%</b>
0.00 - 0.09	27	0.27	729,339.65	0.06	630,072.87	0.05
0.10 - 0.19	181	1.62	6,997,529.48	0.55	6,164,505.76	0.51
0.20 - 0.29	425	4.23	23,182,599.82	1.83	20,478,659.71	1.7
0.30 - 0.39	542	5.6	38,232,964.68	3.01	35,008,375.09	2.91
0.40 - 0.49	652	6.51	56,262,280.72	4.43	51,629,151.28	4.29
0.50 - 0.59	712	7.21	76,680,628.24	6.04	71,422,495.71	5.93
0.60 - 0.69	847	9.02	112,896,777.87	8.9	105,459,917.51	8.76
0.70 - 0.79	1,969	20.27	266,955,325.61	21.03	250,602,546.14	20.8
0.80 - 0.89	838	8.65	119,977,344.00	9.45	113,597,510.10	9.43
0.90 - 0.99	3,332	34.35	535,398,867.70	42.18	518,065,696.37	43
1.00 >=	223	2.26	31,892,635.69	2.51	31,113,144.96	2.58
<b>Total:</b>	<b>9,748</b>	<b>100</b>	<b>1,269,206,293.46</b>	<b>100</b>	<b>1,204,172,075.50</b>	<b>100</b>

**Simple average:** 74.76%  
**Weighted average:** 80.91%  
**Minimum:** 4.94%  
**Maximum:** 100.00%

7. **Classification by the ratio between the maximum mortgage loan and the appraisal value**

Portfolio of First Drawdowns at October 18, 2005						
Classification by the ratio between the maximum mortgage loan and the appraisal value						
Maximum mortgage hipotecario sobre Appraisal value	First Drawdowns	%	Initial balance	%	Principal outstanding	%
0.00 - 0.09	8	0.11	218,985.52	0.02	199,941.38	0.02
0.10 - 0.19	83	0.78	3,421,801.38	0.27	3,083,951.47	0.26
0.20 - 0.29	245	2.49	14,255,912.04	1.12	12,740,352.30	1.06
0.30 - 0.39	378	3.81	26,049,446.38	2.05	23,785,850.10	1.98
0.40 - 0.49	550	5.6	45,560,807.46	3.59	41,498,053.42	3.45
0.50 - 0.59	696	6.99	71,687,815.08	5.65	66,511,668.00	5.52
0.60 - 0.69	923	9.69	112,915,252.60	8.9	105,163,379.47	8.73
0.70 - 0.79	2,443	24.96	305,462,442.02	24.07	286,351,640.01	23.8
0.80 - 0.89	1,234	12.89	167,862,583.48	13.23	151,570,526.11	12.6
0.90 - 0.99	3,188	32.7	521,771,247.50	41.11	513,266,713.24	42.6
<b>Total:</b>	<b>9,748</b>	<b>100</b>	<b>1,269,206,293.46</b>	<b>100</b>	<b>1,204,172,075.50</b>	<b>100</b>

**Simple average:** 76.49%  
**Weighted average:** 81.63%  
**Minimum:** 5.25%  
**Maximum:** 99.37%

8. **Classification by province in which the mortgaged property is located**

<b>Portfolio of First Drawdowns at October 18, 2005</b>						
<b>Classification by provinces</b>						
<b>Province</b>	<b>First Drawdowns</b>	<b>%</b>	<b>Initial balance</b>	<b>%</b>	<b>Principal outstanding</b>	<b>%</b>
ÁLAVA	18	0.2	3,156,638.39	0.25	3,027,237.20	0.25
ALBACETE	17	0.23	1,488,604.64	0.12	1,430,959.59	0.12
ALICANTE	309	4.23	29,741,766.96	2.34	27,896,273.08	2.32
ALMERÍA	30	0.4	3,154,138.03	0.25	3,062,070.77	0.25
ASTURIAS	12	0.14	1,177,328.00	0.09	1,077,705.57	0.09
ÁVILA	8	0.06	1,113,495.00	0.09	1,082,458.48	0.09
BADAJOS	44	0.62	3,456,125.08	0.27	3,288,839.43	0.27
BALEARES	56	0.66	7,186,817.04	0.57	6,842,498.28	0.57
BARCELONA	5,370	52.81	758,027,020.64	59.72	718,805,429.91	59.7
BURGOS	19	0.22	2,152,594.63	0.17	2,017,202.63	0.17
CANTABRIA	17	0.21	1,707,897.43	0.13	1,612,227.43	0.13
CASTELLÓN	175	2.1	18,769,238.89	1.48	17,878,541.63	1.48
CIUDAD REAL	10	0.12	877,002.43	0.07	833,424.43	0.07
CORUÑA, LA	13	0.15	1,408,200.00	0.11	1,313,022.28	0.11
CUENCA	10	0.1	955,867.64	0.08	920,229.69	0.08
CÁCERES	6	0.09	697,040.48	0.05	649,305.17	0.05
CÁDIZ	35	0.43	3,172,916.22	0.25	2,956,967.89	0.25
CÓRDOBA	21	0.25	1,875,710.05	0.15	1,791,155.53	0.15
GERONA	449	3.34	50,084,341.22	3.95	48,123,247.82	4
GRANADA	14	0.13	1,582,599.79	0.12	1,432,960.67	0.12
GUADALAJARA	23	0.16	3,173,826.00	0.25	3,027,420.09	0.25
GUIPÚZCOA	8	0.07	1,383,300.00	0.11	1,302,310.09	0.11
HUELVA	10	0.12	1,051,375.00	0.08	1,020,418.13	0.08
HUESCA	9	0.06	779,530.96	0.06	668,582.39	0.06
JAÉN	9	0.09	735,980.96	0.06	720,600.48	0.06
LA RIOJA	5	0.05	690,505.00	0.05	670,487.72	0.06
LEÓN	10	0.1	1,127,893.51	0.09	1,064,863.54	0.09
LUGO	15	0.25	1,478,215.81	0.12	1,419,088.36	0.12
LÉRIDA	148	0.95	12,238,825.05	0.96	11,060,527.74	0.92
MADRID	923	10.59	147,717,390.39	11.64	141,437,467.82	11.8
MURCIA	298	3.44	28,800,407.03	2.27	27,843,473.43	2.31
MÁLAGA	20	0.3	2,390,677.00	0.19	2,270,759.81	0.19
NAVARRA	53	0.38	7,191,597.78	0.57	6,722,552.92	0.56
ORENSE	30	0.35	3,105,055.09	0.24	2,984,962.01	0.25
PALENCIA	2	0.02	224,040.48	0.02	217,283.50	0.02
PALMAS, LAS	26	0.32	3,711,494.72	0.29	3,588,961.66	0.3
PONTEVEDRA	21	0.27	2,148,145.32	0.17	2,082,741.42	0.17
SALAMANCA	10	0.1	836,406.27	0.07	760,249.31	0.06
SANTA CRUZ DE TENERIFE	27	0.35	3,290,278.11	0.26	3,014,998.50	0.25
SEGOVIA	25	0.26	2,535,746.74	0.2	2,414,484.78	0.2
SEVILLA	60	0.62	6,245,784.99	0.49	5,896,405.75	0.49
SORIA	17	0.23	2,203,243.00	0.17	2,097,231.70	0.17
TARRAGONA	362	3.75	37,580,969.61	2.96	34,662,877.87	2.88
TERUEL	6	0.06	482,412.00	0.04	469,255.30	0.04
TOLEDO	34	0.23	4,242,096.45	0.33	4,078,087.91	0.34
VALENCIA	809	8.68	81,976,454.95	6.46	77,255,465.02	6.42
VALLADOLID	17	0.16	1,893,532.02	0.15	1,800,962.12	0.15
VIZCAYA	16	0.24	2,589,241.76	0.2	2,420,415.36	0.2
ZAMORA	8	0.07	623,931.11	0.05	602,362.15	0.05
ZARAGOZA	114	1.25	14,972,593.79	1.18	14,555,021.14	1.21
<b>Total:</b>	<b>9,748</b>	<b>100</b>	<b>1,269,206,293.46</b>	<b>100</b>	<b>1,204,172,075.50</b>	<b>100</b>

**Portfolio of First Drawdowns at October 18, 2005**

**DELAYS IN THE PAYMENT OF DUE INSTALMENTS AT OCTOBER 18, 2005**

<b>Range of days</b>	<b>2.2.2.2.1</b>	<b>CR ÉDI TO S</b>	<b>9. OUTSTANDING PRINCIPAL</b>	<b>Due Principal unpaid principal</b>	<b>% of total outstanding</b>
No default	9,090		1,119,825,426.67	0	0
From 1 to 30 days	658		84,346,648.83	242,602.88	0.0201
<b>Total</b>	<b>9,748</b>		<b>1,204,172,075.50</b>	<b>242,602.88</b>	<b>0.0201</b>



### 2.2.3 Legal nature of the assets

As indicated previously, all assets will be loans secured by property mortgages (“**Mortgage Loans**”) that will be transferred to the Issuer by CAIXA CATALUNYA through the issue of Mortgage Transfer Certificates. The Mortgage Loans have been executed in a public deed.

In accordance with Law 2/1981 and by the additional provision five of Law 3/1994 in the wording given by article 18 of Law 44/2002, the mortgage transfer certificates are a type of mortgage participations, whose underlying shared mortgage loans do not fulfil the requirements established in section 2 of the said Law 2/1981.

### 2.2.4 Expiry or maturity date of the assets

Each Mortgage Loan in the portfolio has a maturity date without prejudice to the possibility of its early redemption. Section 2.2.2 of this Additional Module contains a chart with the distribution of the Mortgage Loans according to their residual life. The latest Repayment Date of the Mortgage Loans of the portfolio is April 30, 2035.

### 2.2.5 Amount of the assets

The First Drawdowns will be taken from a selection comprised of 9,748, whose outstanding principal at October 18, 2005 amounted to 1,204,172,075.50 euro, and with unpaid due principal amounting to 242,602.88 euro which represents 0.02% of total principal pending repayment. The details of the most significant characteristics of the First Drawdowns selected and their Mortgage Loans are described in section 2 of this Additional Module.

### 2.2.6 Ratio between the outstanding balance of the principle and the appraisal value or level of surplus collateralisation

Portfolio of First Drawdowns at October 18, 2005						
Classification by the ratio between the outstanding principal of the First Drawdown and the appraisal value						
Range for the ratio Outstanding principle / appraisal value	First Drawdowns	%	Initial balance	%	Outstanding Principal	%
0.00 - 0.09	64	0.67	3,362,321.13	0.26	1,319,016.78	0.11
0.10 - 0.19	422	4.02	21,680,029.93	1.71	12,283,497.50	1.02
0.20 - 0.29	555	5.65	33,894,776.44	2.67	25,575,954.63	2.12
0.30 - 0.39	657	6.84	48,740,373.65	3.84	42,492,377.92	3.53
0.40 - 0.49	694	7.07	66,964,718.48	5.28	59,513,121.72	4.94
0.50 - 0.59	755	7.85	90,398,391.61	7.12	83,246,329.86	6.91
0.60 - 0.69	906	9.58	121,481,377.51	9.57	115,504,269.17	9.59
0.70 - 0.79	1,677	17.11	238,512,787.19	18.79	231,673,597.62	19.2
0.80 - 0.89	840	8.66	123,638,869.30	9.74	120,409,342.48	10
0.90 - 0.99	3,178	32.56	520,532,648.22	41.01	512,154,567.82	42.5
<b>Total:</b>	<b>9,748</b>	<b>100</b>	<b>1,269,206,293.46</b>	<b>100</b>	<b>1,204,172,075.50</b>	<b>100</b>

**Simple average:** 69.99%

**Weighted average:** 78.60%

**Minimum:** 3.55%

**Maximum:** 99.37%

## 2.2.7 Method of creation of the assets.

In accordance with the CAIXA CATALUNYA Memorandum regarding the criteria for extending loans and credit facilities backed with property collateral to legal persons ("corporates"), the main criteria observed in authorising the Mortgage Loans are summarised below:

### 1. Criteria for granting Mortgage Loans.

CAIXA CATALUNYA's internal procedures for granting Créditos Totales are based on the same principles of action, processing and analysis of information and internal decision-making rules as for the granting of mortgage loans and loans in general.

### 2. Levels of loan authorisation.

The negotiation of credit operations in general is carried out in the branch offices of CAIXA CATALUNYA. However, for operations with large companies or groups involving significant volumes, the financial conditions or indeed the operation itself is negotiated directly by regional management or from head office departments. When analysing and negotiating credit operations two criteria are taken into account: the criterion of risk and the criterion of price (interest rate and fees) of an operation. CAIXA CATALUNYA has a number of financial products to meet the demand for credit operations with both personal and real collateral. Each of these products, depending on the collateral and the reason for the financing, has specific financial conditions. In order to capture credit operations with associations or groups, various co-operation agreements exist with professional associations, collectives, associations, etc.

#### 1.- Request for credit operations.

- The Mortgage Loan procedure begins with a personal interview with the person requesting the loan. At this interview, a pre-analysis of the operation is carried out, the prospective Mortgagor being informed of the financial conditions of the mortgage loan and of the documents required to process this, associated costs, etc., in other words the conditions of the operation are established.
- After this first stage, the processing of the credit file begins with the operation being registered in the computer system (Mortgage Loans application).
- The various stages of this processing are, in chronological order, as follows: Processing, Resolution (Approved, Refused, Cancelled), pre-formalization and formalization.
- Documents provided by the client relating to the operation and the internal documentation generated in this respect comprise the client's credit file:

#### Internal documentation:

- Request for credit operation. In addition to data regarding the credit operation request, a declaration of the value of the Mortgagor's estate is included.
- Report with the proposal of the office. Document analysing the potential borrower's situation and proposing approval or refusal of the operation.

- List of risks. List generated automatically when a credit operation is registered. This includes the client's positions: liabilities, assets, RAI (Registro de Asociaciones Impagadas), ASNEF (Asociación Nacional de Entidades Financieras), CIRBE (Central de Información de Riesgos del Banco de España). This information is required of each of the participants in an operation be they holders or guarantors.

In addition to this internal documentation, information is also obtained from other sources:

- Movements in the accounts (composition / nature of income and charges, frequency, diversification, origin, average/specific balances, etc).
- Analysis of credit history as holder or risk guarantor in the Entity.

**External documentation:**

- Justification of income: Personal income tax (or equivalent), Declaration of Personal Wealth and photocopy of the most recent payroll.
- Justification of the reason for the investment.
- Valuation of the property, carried out by an authorised valuation company.
- Verification of registration of the property to be mortgaged, verifying ownership of the property and state of encumbrances or charges.
- Damage insurance.
- Commercial reports by specialist agencies depending on how well the client is known. .
- Verification of registration of the most representative property.

**2.- Valuations.**

As a result of the provisions of Royal Decree 1289/1991, the valuation of the property subject to mortgage must be carried out by independent companies duly registered in an Official Registry with the Bank of Spain.

By virtue of the Ministerial Order of November 30, 1994, CAIXA CATALUNYA only uses Valuation Companies for the valuation of property. At the date of verification of this Prospectus, there are five valuation companies authorised to value property acting as collateral for Mortgage Loans to be granted by CAIXA CATALUNYA, all of which are duly registered with the Bank of Spain's register. . Prior to the aforementioned Ministerial Order, CAIXA CATALUNYA used an established group of architects and technical architects to value property.

**3.- Insurance.**

The mortgaged property is legally required to be covered by a fire insurance policy.

In all operations with mortgage collateral a damages policy is required. The amount covered by the policy is equivalent to the valuation of the property to be mortgaged less the value of the land.

CAIXA CATALUNYA advises its clients to take out a loan repayment or credit drawdown insurance policy to cover the death of the Mortgagor, but this is only obligatory if the analysis of the operation considers this to be essential.

**4.- Authorising approval.**

For the resolution of operations, CAIXA CATALUNYA has established a level of authorisation which varies according to the decision-making center Powers of approval are distributed among Branches, Regional Management and Head Office Departments with the favourable opinion of the previous center being required to obtain a resolution from a higher body.

**5.- Approval criteria.**

The most significant aspects in the analysis of an operations are indicated below, although each case may require a more in-depth analysis of one of these aspects or of others which are not mentioned here due to their rarity.

**Analysis of the person requesting the loan:**

- Personal and family situation.
- Previous history with CAIXA CATALUNYA and client's credit history (length of time as client, credit experience, loyalty, etc).
- Employment stability.
- Borrowing capacity.
- Wealth.

**Analysis of the property to be mortgaged:**

- Analysis of the valuation, verifying especially the existence of warnings or conditioning factors. Factors such as the kind of residence, age of the property, location, lay-out, finishing, orientation, etc are also taken into account.
- Analysis of the verification of registration, verifying surface areas, ownership, encumbrances, etc.

On conclusion of the analysis of the aforementioned aspects, the operation will be approved or refused. Depending on the percentage of financing and the employment situation of the person requesting the loan, CAIXA CATALUNYA may also request supplementary guarantees: guarantors, deposits, etc. in order for the operation to be approved.

**6.- Procedures for the formalization and settlement of credit operations.**

**Documents required for the Formalization:**

Approval of the operation:

Approval of the operation is carried out by computer in order to obtain the data necessary to prepare the contracts. At what level authorisation for the formalisation of the Mortgage Loan is given depends on the amount of the operation. For amounts of over 1,502,530.26 euro it is necessary to provide a specific certificate of approval from the resolute body.

Draft for the Notaries:

There is a data base for mortgage operations with all the draft models

Binding offer:	available for their formalization, which is the responsibility of the Legal Department. In those cases in which this is required by the Law of Transparency.
Damage insurance:	In all operations with mortgage collateral a damages policy is required. The amount covered by the policy is equivalent to the valuation of the property to be mortgaged less the value of the land.
Verification of registration:	For mortgage operations, a copy of the verification of registration carried out by CAIXA CATALUNYA is required and, where appropriate, a report by CAIXA CATALUNYA's legal department if complex encumbrances or prior deeds entailing a certain degree of difficulty exist. In all cases, the CAIXA CATALUNYA mortgage must always be the first mortgage. CAIXA CATALUNYA always asks the Notary to verify encumbrances with the Property Registry.
Provision of funds by the manager:	Each office has a manager assigned to it. This manager is responsible for making a provision of funds to cover the costs of executing the deeds of the credit operation and prior deeds. These costs include notary and management fees, taxes and the Property Registry.

**The signing of the operations:**

Each branch has one or two Notaries assigned to it depending on its size. Branch managers are empowered to appear on behalf of the entity and sign the mortgage loan deeds. Subsequently, the branch settles the operation. The manager assigned to the branch is responsible for delivering simple and first copies via computer and monitoring the registration of the mortgage. The systems verifies the time taken to deliver the deeds and the existence of problems of registration.

**2.2.8 Indication of representations and collaterals given to the issuer relating to the assets.**

The Gestora has obtained from CAIXA CATALUNYA representations and warranties related to the compliance of the characteristics of the Seller, the Mortgage Loans and the Mortgage Transfer Certificates which are described in section 2.2.b), and will be ratified in the Deed of Establishment.

**2.2.9 Substitution of the securitised assets**

In the event of early repayment of the Mortgage Transfer Certificates through the early repayment of the principal of the respective First Drawdowns, there will be no substitution of the affected Mortgage Transfer Certificate.

In the event that it should be observed by CAIXA CATALUNYA or the Gestora throughout the life of the Mortgage Transfer Certificates, that any of these do not conform at the date of the Deed of Establishment of the Issuer to the conditions and characteristics contained in section 2.2.b) above because the respective First Drawdown

and/or the relevant Mortgage Loan does not do so, CAIXA CATALUNYA will, with prior agreement of the Gestora, immediately substitute the relevant Mortgage Transfer Certificate subject to the following rules:

- 1) The party, either CAIXA CATALUNYA or the Gestora, that may be first aware of the existence of an unsuitable Mortgage Transfer Certificate, will immediately inform the other. Upon such notification CAIXA CATALUNYA will inform the Gestora in writing about the characteristics of the First Drawdowns which it proposes to assign through the issue of new Mortgage Transfer Certificate with similar characteristics of residual life, interest rate, outstanding principal amount and creditworthiness, nominal outstanding balance ratio/appraisal value, characteristics of the Mortgagor, and which meet all the conditions envisaged in section 2.2.b) of this Additional Module, in a way that neither the financial balance of the Issuer nor its ratings are affected by the substitution. Once the suitability of the underlying First Drawdown it is proposed to assign has been confirmed by the Gestora and by an independent external auditor and once the Gestora has expressly agreed to the substitution, CAIXA CATALUNYA will cancel the affected Mortgage Transfer Certificate by cancelling the corresponding certificate and will issue one or more mortgage transfer certificates in its place.
- 2) Each substitution will be made by a Notarial Certificate which will contain information relating to the Mortgage Transfer Certificate to be substituted, to the corresponding First Drawdown and to the new Mortgage Transfer Certificate(s) issued, providing details of the First Drawdowns and the Mortgage Loans, the reason for the substitution and the features demonstrating that the Mortgage Transfer Certificates are of a similar character as described in the preceding paragraph. The Gestora will deliver a copy of the Notarial Document to the CNMV, Iberclear and the Governing Body of the AIAF and will notify its execution to the Rating Agencies.
- 3) Should it be impossible to issue a new Mortgage Transfer Certificate with similar characteristics and suitability established in rule 1 above because the Mortgage Loans available contain differences with respect to the Mortgage Transfer Certificate affected which are sufficiently material to have a negative impact on the financial balance of the Issuer and the rights and interests of the Bondholders in the justified opinion of the Gestora communicated to CAIXA CATALUNYA, CAIXA CATALUNYA will make the early repayment of the Mortgage Transfer Certificate. The early repayment will be made by cash redemption to the Issuer of the outstanding principal, accrued and unpaid interest as well as any amount which may be due to the Issuer up to that date under the Mortgage Transfer Certificate.

Modification by the Administrator during the life of the Mortgage Loans of their conditions without complying with the limits established in the special legislation applicable thereto and, in particular, with the terms agreed by the Issuer and the Seller in the Deed of Establishment of the Issuer and in this Prospectus, as described in section 3.7.1 of this Additional Module, constitutes a breach of the obligations of the Administrator.

This non-compliance shall not be borne by the Issuer and therefore must be repaired, in accordance with the provisions of article 1,124 of the Spanish Civil Code, without such reparation implying that the Seller guarantees the successful outcome of the operation.

In accordance with the foregoing, if faced with such non-compliance, the Issuer, through the Gestora, may, in accordance with the applicable legislation: (i) demand compensation for damages and payment of interest, and (ii) move to obtain the

substitution or the redemption of the Mortgage Transfer Certificates affected by the Administrator's non-compliance until the agreed limits are re-established, according to the procedure envisaged in the foregoing paragraphs. The estora will notify immediately to the CNMV each of the substitutions or repayments of the Mortgage Loans as a consequence of the non-compliance of the Seller.

The expenses originating from the actions to remedy the non-compliance of the Administrator shall be borne by the latter and may not be charged to the Issuer.

#### **2.2.10 Relevant insurance policies relating to the securitised assets.**

The public deeds by which the Mortgage Loans are formalized require the mortgagors to take out damage insurance covering the appraisal value of the residences, excluding elements which are not insurable by nature, and to pay the corresponding premiums, transferring to CAIXA CATALUNYA any compensation which must be paid by the insurer for the capital insured or for any other item.

No information has been included regarding the concentration of the insurance companies because given the number of Mortgage Loans selected, their weighting of the total loans selected and their geographical distribution, as described in section 2.2.2 of this Additional Module, any possible concentration of the insurance companies has not been deemed significant to the operation.

Until the execution of the Deed of Establishment, CAIXA CATALUNYA will be the beneficiary, in proportion to its participation in the Mortgage Loans, of the damage insurance contracts taken out by the Mortgagors relating to the mortgaged properties, in guarantee of the Mortgage Loans, up to the amounts insured, with each of the Mortgage Loan deeds authorising the mortgage creditors, in the event of default on the insurance premium payment by the Mortgagor (as policyholder), to pay on behalf of the Mortgagor the amount of the premium so these premiums are always paid up.

CAIXA CATALUNYA will formalise in the same act the transfer associated with the issue of the Mortgage Transfer Certificates of its rights as beneficiary of said damage insurance policies subscribed by the Mortgagors, or any other insurance policy providing equivalent cover. Therefore the Issuer, as holder of the Mortgage Transfer Certificates, will receive all amounts which CAIXA CATALUNYA would have received in this respect.

. It is unaware that the premiums accrued to date on the insurance policies referred to in point 2.2.b) 18 above have not been fully paid.

In the case of mortgaged properties with Mortgage Loans for which such insurance is lacking due to expiration, cancellation or any other cause, CAIXA CATALUNYA shall be liable to the Issuer for the economic consequences that may arise from the absence of insurance.

#### **2.2.11 Information on the obligors in those cases where the securitised assets comprise obligations of five or fewer obligors which are legal persons, or if a single obligor accounts for more than 20% of the assets, or if a single obligor accounts for a material portion of the assets**

Not applicable.

#### **2.2.12 Details of the relationship, if it is material to the issue, between the issuer, guarantor and obligor**

Non existent.

**2.2.13 If the assets comprise fixed-income assets, a description of the principal terms and conditions.**

Not applicable.

**2.2.14 If the assets comprise equity securities, a description of the principal terms and conditions.**

Not applicable.

**2.2.15 If more than 10% of the securitised assets are equity securities that are not traded on a regulated or equivalent market, a description of the principal terms and conditions.**

Not applicable.

**2.2.16 Property valuation report with cash flows / income streams if a significant part of the assets are secured by real estate**

It is expressly placed on record that no appraisal has been carried out of the mortgaged properties securing the Mortgage Loans in connection with this Issue, such that the appraised values of the properties, described under section 2.2.6 of this Additional Module, are the same as at the date the Mortgage Loan was originally granted.

**2.3 Actively managed pool of assets backing the Issue**

Not applicable.

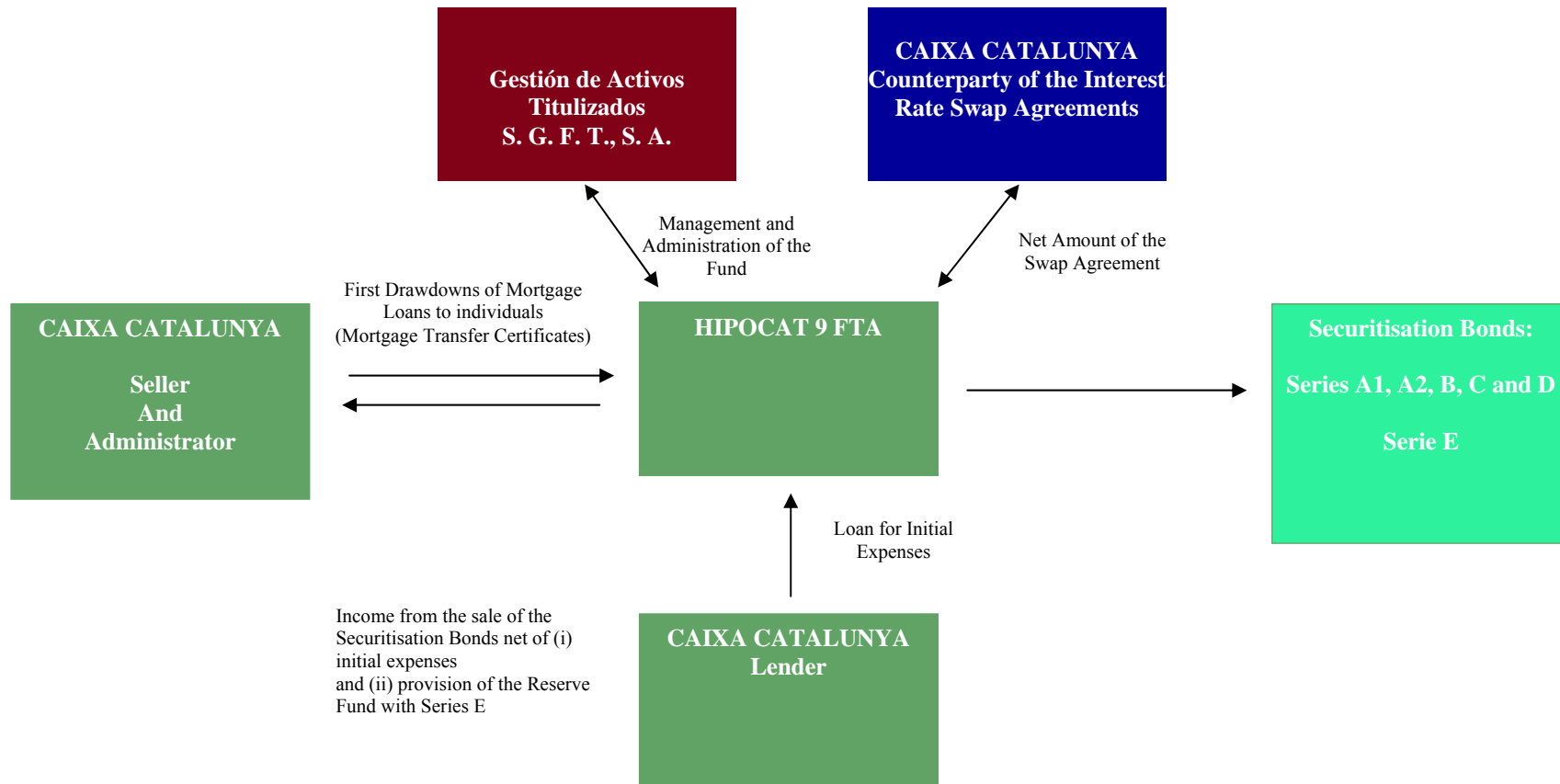
**2.4 Where an issuer proposes to issue further securities backed by the same assets, a statement to that effect and description of how the holders of that class will be informed.**

Not applicable.



**3 STRUCTURE AND CASH FLOW**

**3.1 Description of the structure of the operation, including, if necessary, a diagram.**



The initial Balance Sheet for the Fund will be as follows:

ASSETS		EUROS	LIABILITIES		EUROS
Initial Capitalised Expenses		2,500,000	Series A1 Securitisation Bonds		200,000,000
			Series A2a Securitisation Bonds		500,000,000
			Series A2b Securitisation Bonds		236,200,000
			Series B Securitisation Bonds		22,000,000
Mortgage Transfer Certificates		1,000,000,000	Series C Securitisation Bonds		18,300,000
			Series D Securitisation Bonds		23,500,000
			Series E Securitisation Bonds		16,000,000
Cash		0	Loan for Initial Expenses		2,500,000
Reserve Fund		16,000,000			
Other funds deposited		0			
<b>TOTAL ASSETS</b>		<b>1,018,500,000</b>	<b>TOTAL LIABILITIES</b>		<b>1,018,500,000</b>

10.

Memorandum Accounts	
Interest Rate Swap collections	to be determined
Interest Rate Swap payments	to be determined

### 3.2 Description of the entities participating in the issue and description of the functions to be performed by them

A description of the entities participating in the issue and a description of their functions can be found in section 5.2 of the Registration Document.

### 3.3 Description of the method and date of the sale, transfer, novation or assignment of the assets, or of any right and/or obligation in the assets to the Issuer.

#### 3.3.1 General terms for the issuance of and subscription to the Mortgage Transfer Certificates.

By virtue of the Deed of Establishment, the credit rights which will form the assets of the Issuer through the issue by CAIXA CATALUNYA of the Mortgage Transfer Certificates and their subscription by the Gestora in the name and on behalf of the Issuer, will only be the credit rights owned by CAIXA CATALUNYA arising in its favour from the first or initial amounts drawn against said loans by each of the Mortgagors (hereinafter the “**First Drawdowns**”).

The credit rights deriving from the subsequent amounts lent under the Mortgage Loan other than the First Drawdown are not part of the Mortgage Transfer Certificates forming the Issuer. Payments made by the Mortgagors are imputed to matured instalments in order of time in arrear, giving priority to the payment of the interest over the principal of each instalment.

The Mortgage Transfer Certificates to be issued by CAIXA CATALUNYA at the time of the establishment of the Issuer will constitute a number of Mortgage Transfer Certificates as yet undetermined whose total nominal amount will be at least equal to the total nominal amount of this issue of Securitisation Bonds of Series A1, A2a, A2b, B, C and D.

The Gestora, representing and for the account of the Issuer, will subscribe in full at the establishment of the Fund, the Mortgage Transfer Certificates issued by CAIXA CATALUNYA. The Mortgage Transfer Certificates forming the Issuer will be represented by registered certificates issued in the name of the Issuer. The Mortgage Transfer

Certificates will be issued pursuant to Additional Provision 5 of Law 3/1994, as restated by article 18 of Law 44/2002.

The Mortgage Transfer Certificates issued by CAIXA CATALUNYA will be represented by registered certificates, as established in section 3.3.4 below of this Additional Module, which will contain the minimum references set out in article 64 of Royal Decree 685/1982 and, specifically, the registration particulars of the properties securing the Mortgage Loans. The Mortgage Transfer Certificates subscribed by the Issuer will be deposited with CAIXA CATALUNYA. Such deposit will be established through the execution of the Deed of Establishment for the benefit of the Issuer so that CAIXA CATALUNYA will keep the Mortgage Transfer Certificates on deposit in custody, following the instructions of the Gestora. The transfer and ownership of the Mortgage Transfer Certificates shall be limited to institutional investors. They may not be acquired by the non-specialised public. Due to the above and the institutional investment characteristics of the Fund, the issuance of the Mortgage Transfer Certificates shall not require margin notes in each registration of the mortgages in the Property Registry.

CAIXA CATALUNYA shall be liable to the Issuer for the existence and legitimacy of the First Drawdowns to the extent indicated in articles 348 of the Spanish Commercial Code and 1,529 of the Spanish Civil Code. CAIXA CATALUNYA does not bear the risk of default on the Initial Drawdowns and so assumes no liability for default by the Mortgagors, whether on the principal, interest or any other amount they may owe by virtue of the Mortgage Loans. CAIXA CATALUNYA shall not assume liability in any other way for directly or indirectly guaranteeing the satisfactory conclusion of the operation, or provide guarantees or securities, or engage in substitution or repurchase agreements for the Mortgage Transfer Certificates, except as envisaged in section 47 above of this Additional Module.

#### **Refund of amounts in special circumstances**

CAIXA CATALUNYA guarantees that should any Mortgagor hold a credit right against CAIXA CATALUNYA and decide to exercise the right by setting off the credit against the debt derived from the First Drawdown, as envisaged in article 1,198 of the Civil Code, it will so inform the Gestora and will pay to the Issuer, by crediting to the bank account designated by the Gestora or set up for this purpose, an amount equal to the amount offset to which the Issuer would have been entitled.

#### **Additional undertakings**

CAIXA CATALUNYA will not issue any Securitisation Bonds, mortgage participations and/or mortgage transfer certificates which could affect the portion of the Mortgage Loans that has not been the subject of the Mortgage Transfer Certificates assigned to the Issuer (in other words, any additional drawdowns made against the corresponding Mortgage Loan), other than with the express authorisation of the Gestora.

CAIXA CATALUNYA will not transfer to any third party, totally or partially, nor grant a security interest over the part of the Mortgage Loans not securitised, other than with the express authorisation of the Gestora.

CAIXA CATALUNYA will fulfil the contractual obligations arising from the deeds granting the Mortgage Loans, in particular, maintaining the availability of the Mortgage Loan granted to the Mortgagor. Neither will CAIXA CATALUNYA transfer to a third party its contractual position in relation to the portion of the Mortgage Loans not securitised (in other words, with respect to any additional drawdowns made against the corresponding Mortgage Loan), other than with the express authorisation of the Gestora.

### **3.3.2 Subscription price of the Mortgage Transfer Certificates.**

The Mortgage Transfer Certificates will be issued at par. The price which the Issuer will pay to CAIXA CATALUNYA through the Gestora on the Closing Date for subscription of all the Mortgage Transfer Certificates will include, in addition to (i) the nominal value of the capital of the Mortgage Transfer Certificates gathered in the Fund, (ii) interest on account

of the deferment of the payment of principal of the Mortgage Transfer Certificates, calculated using as a reference EURIBOR at one week, according to REUTERS monitor, page "EURIBOR1" (or any other page that may replace it in this service), at 11:00 h. a.m., C.E.T. (Central European Time, Brussels, Central Europe time) on the day before the date of execution of the Deed of Establishment, for the three (3) Business Days until the Payment Date (REUTERS monitor, page "EURIBOR01" is that showing the contents of the "EURIBOR01" page on the REUTERS MONITOR MONEY RATES SERVICE), (iii) the ordinary interest accrued and not due, and (iv) if appropriate, the due and payable ordinary interest on each of the First Drawdowns, at the date of issue of the Mortgage Transfer Certificates. .

The part of the price stipulated in the above paragraph equal to the nominal value of the capital of all the grouped Certificates (heading (i) of the above paragraph), the deferral of the payment of principal of the Mortgage Transfer Certificates (heading (ii) of the preceding paragraph) and the due and payable ordinary interest on each of the First Drawdowns on the date of issue of the Mortgage Transfer Certificates must be paid in full before 15.00 hours (Madrid time) on the same Business Day, value that same day, on which the Securitisation Bond issue is fully paid (November 30, 2005).

The price stipulated for interest accrued and not due until the date of the signing of the Deed of Establishment shall be paid by the Issuer, without being subject to the Order of Priority of the Issuer, within the first five Business Days of the month following the date on which this interest was paid by the corresponding Mortgagor (and, accordingly, the Administrator, CAIXA CATALUNYA, having deposited these amounts in the Issuer's Treasury Account).

In the event of termination of the establishment of the Fund, pursuant to section 4.4 of the Registration Document and, therefore, of the issue of and subscription for the Mortgage Transfer Certificates, (i) the payment obligations on such Certificates of the Issuer shall be extinguished, (ii) the Gestora shall be obliged to restore CAIXA CATALUNYA in any right that may have accrued for the benefit of the Issuer for the subscription of the Certificates, and (iii) CAIXA CATALUNYA shall again enter the First Drawdowns on the asset side of its balance sheet.

Payment will be made by order placed by the Gestora with CAIXA CATALUNYA for the latter to charge to the Treasury Account open with CAIXA CATALUNYA in the name of the Issuer the total price of the subscription for the Mortgage Transfer Certificates.

The Mortgage Transfer Certificates will be transferable by written declaration on the certificates themselves and in general in any way admitted by Law. The transfer of any Mortgage Transfer Certificate and the new holder's address will be notified by the purchaser to the Originator of the Mortgage Transfer Certificate.

CAIXA CATALUNYA, as Originator, will keep a special book on which it will record the Mortgage Transfer Certificates issued and the changes of address notified to it by their holders.

Said book will also contain the following data: (i) date of origination and maturity of the First Drawdown, its amount and form of settlement; and (ii) registration data of the mortgage that secures the Mortgage Loan.

### **3.3.3 Description of the rights conferred on the Issuer by subscription to the Mortgage Transfer Certificates of the Mortgage Loans.**

The Issuer, as holder of the Mortgage Transfer Certificates, will be vested with the rights recognised in the applicable legislation and in the Mortgage Transfer Certificates. Specifically, the Issuer will be entitled to receive all payments made in respect of the Mortgage Transfer Certificates for any cause by the Mortgagors of the First Drawdowns.

Specifically, the Mortgage Transfer Certificates confer the following rights:

- (i) all amounts accrued as repayment of principal of the First Drawdowns;

- (ii) all amounts accrued as ordinary interest on the First Drawdowns;
- (iii) all amounts accrued as default interest on the First Drawdowns;
- (iv) any amounts or assets obtained through legal or notarial foreclosure of the mortgages or from the sale or operation of properties adjudicated to the Issuer upon foreclosure of the mortgages, or in the provisional administration or possession of the property (under process of foreclosure), purchase at auction price or the amount calculated by the court, pro rata to the First Drawdown securitised; and
- (v) all other rights and indemnities which may arise in favour of CAIXA CATALUNYA, including not only those deriving from the insurance contracts assigned by CAIXA CATALUNYA to the Issuer, but also from any ancillary rights to the Mortgage Loan pro rata to the First Drawdown securitised, except for any commissions collected from the mortgagors, which shall continue to be owned by CAIXA CATALUNYA.

All the above rights will accrue in favour of the Issuer from the date of the Deed of Establishment of the Fund.

The rights of the Issuer arising from the Mortgage Transfer Certificates are linked to the payments made by the Mortgagors against the First Drawdowns and are therefore directly affected by the performance, delay, and early repayment of these or any other incident affecting them.

Any possible expenses that may be payable by CAIXA CATALUNYA arising from action of claim in the event of breach of their obligations by the Mortgagors, including action of foreclosure brought against the latter, shall be for the account of the Issuer.

On the date of the Deed of Establishment, CAIXA CATALUNYA will be the beneficiary of the damage insurance contracts taken out by the Mortgagors relating to the mortgaged properties up to the amounts insured. Through the Deed of Establishment, CAIXA CATALUNYA will formalise the assignment to the Issuer of the benefits to which it is entitled under these contracts arranged by the Mortgagors in the proportion corresponding to the First Drawdowns and will assume the obligation to make any notification which may be required in accordance with the terms of the insurance policies. Therefore the Issuer, as holder of the Mortgage Transfer Certificates, will receive all amounts which CAIXA CATALUNYA would have received for this item, pro rata according to the First Drawdowns securitised.

In the case of mortgaged properties with Mortgage Loans for which such insurance is lacking due to expiration, cancellation or any other cause, CAIXA CATALUNYA shall be liable to the Issuer for the economic consequences that may arise from the absence of insurance.

The returns on the Mortgage Transfer Certificates that form revenues of the Fund shall not be subject to withholdings of Corporate Income Tax as established in Royal Decree 177/2004, of July 30, 2004, approving Corporate Income Tax Regulations.

### **3.3.4 Representation and custody of the Mortgage Transfer Certificates.**

The Mortgage Transfer Certificates will be represented by multiple or individual registered certificates which will contain the minimum references set out in article 64 of Royal Decree 685/1982 for mortgage participations, together with the registration particulars of the properties securing the Mortgage Loans. The Mortgage Transfer Certificates to be issued and aggregated in the Fund on its establishment shall be represented by one multiple registered certificate.

If the Gestora executes a mortgage loan for and on behalf of the Issuer as established in section 3.7.1 of this Additional Module, if in the event of Early Liquidation of the Fund in

the circumstances and conditions envisaged in section 4.4 of the Registration Document the Mortgage Transfer Certificates must be sold, or in any other circumstances which warrant it, CAIXA CATALUNYA undertakes to split any multiple certificate representing the Mortgage Transfer Certificates into as many individual or multiple certificates as necessary, or to substitute or exchange them to achieve the aforementioned objectives.

The multiple registered certificate representing the Mortgage Transfer Certificates and, where appropriate, the individual certificates into which these are split shall be deposited with CAIXA CATALUNYA, with the relationship between the Issuer and CAIXA CATALUNYA being governed by the Deed of Establishment. Such deposit will be established for the benefit of the Issuer so that CAIXA CATALUNYA will keep the registered certificates representing the Mortgage Transfer Certificates on deposit in custody, following the instructions of the Gestora.

### **3.3.5 Other conditions arising from the legal framework of the Mortgage Transfer Certificates.**

As established in Royal Decree 685/1982, the Mortgage Transfer Certificates will be transferable by written declaration on the certificates themselves and in general in any way admitted by Law, in accordance with article 67.1 of Royal Decree 685/1982, with their acquisition and ownership being restricted to institutional investors and their acquisition by the non-specialised public being prohibited, as envisaged in article 64.1 of Royal Decree 685/1982. The transfer of any Mortgage Transfer Certificate and the new holder's address will be notified by the purchaser to the Originator of the Mortgage Transfer Certificates.

The transferor shall not be liable for the solvency of the issuer or of the Mortgagor, nor for the sufficiency of the mortgage guaranteeing this.

CAIXA CATALUNYA, as Originator, will keep a special book in which it will record the Mortgage Transfer Certificates issued and the transfers of these of which it is notified, with these Mortgage Transfer Certificates being subject to article 53 of Royal Decree 685/1982 in respect of the registered certificates. In this same book CAIXA CATALUNYA will record the changes of address of which it has been notified by the holders of the Mortgage Transfer Certificates.

Said book will also contain the following data:

- a) date of origination and maturity of the First Drawdown, its amount and form of settlement.
- b) registration data of the mortgage.

## **3.4 Explanation of the flow of funds.**

### **3.4.1 How the cash flows from the assets will meet the Issuer's obligations to the Bondholders.**

As can be seen in the diagram set out in section 3 of this Additional Module, the cash flows from the assets will serve to meet the obligations of the issuers in the following manner:

- a) On the Closing Date, the Issuer will pay the price of the issued Mortgage Transfer Certificates by using the amount of principal received for the Securitisation Bonds of Series A1, A2a, A2b, B, C and D.
- b) On that Closing Date, the Issuer will likewise receive the amount of the Loan for Initial Expenses to pay said expenses.
- c) Also on the Closing Date, the allocation will be made to the Reserve Fund with a charge to the amount of principal received for Securitisation Bonds of the Series E.

- d) Throughout the period of time between two Determination Dates, the Gestora, for and on behalf of the Issuer, will receive the amounts in respect of principal and interest paid by the Mortgagors of the First Drawdowns. These amounts, in compliance with the obligations of the Administrator, will be deposited, within a period of not more than forty eight (48) hours from when they were received on behalf of the Fund, in the Treasury Account or in the Repayment Account as appropriate, accruing a rate of interest in accordance with the provisions of the respective Guaranteed Interest Reinvestment Agreement for the Treasury Account or the Guaranteed Interest Reinvestment Agreement for the Repayment Account, which will be used to make the Fund's payments on each Payment Date.
- e) In theory, the amounts received from the First Drawdowns and the interest accrued on the Treasury Account and Repayment Account, as appropriate, will be sufficient on each Payment Date to pay, in accordance with the Payment Priority Order, the following:
  - (i) The Fund's periodic expenses (including the fees of the Gestora, Administrator, Paying Agent and other expenses).
  - (ii) The interest payable on the Securitisation Bonds.
  - (iii) The principal payable on the Securitisation Bonds.
  - (iv) The repayment, as applicable, of the Loan for Initial Expenses.
- f) As a protective measure and for times of stress or changed circumstances, certain additional enhancements have been planned such as the Reserve Fund, which the Fund will use to meet the foregoing obligations.
- g) In addition, in order to cover the lag between payments of quarterly interest on the Securitisation Bonds and the different payment periods for the Mortgage Loans, an Interest Rate Swap Agreement will be entered into to allow greater efficiency in the payment of the Securitisation Bond interest.
- h) Once all the Issuer's obligations described above have been met, the surplus funds available in the Fund on each Payment Date will be returned to CAIXA CATALUNYA in the form of variable remuneration on the Loan for Initial Expenses.

#### **3.4.2 Information on all credit enhancements**

As a credit enhancement mechanism against possible losses due to unpaid and/or defaulted First Drawdowns and in order to enable the Fund to make payments in accordance with the Payment Priority Order, it has been decided to create a Reserve Fund initially provisioned with part of the principal of the Loan for Initial Expenses, the characteristics of which are included in this section.

Furthermore, an additional protection mechanism among the different Series is provided by the deferral of interest and principal repayments for the Securitisation Bonds of different Series due to the place they occupy in the application of the Available Funds, as well as the rules of distribution of the Available Funds for Redemption among the Series A1, A2a, A2b, B, C and D in the Payment Priority Order or in application of the Available Liquidation Funds in the Liquidation Payment Priority Order.

Interest Rate Swaps are used to neutralise the interest rate basis risk arising in the Fund between, on the one hand, the variable interest rates on the First Drawdowns with different benchmarks, revision periods and instalment payment dates and, on the other, the variable interest rates of the Securitisation Bond Issue benchmarked to the 3 month Euribor with quarterly accrual and payment periods. This does not, however, fully neutralise credit risk as the Notional of the Swap for Party B only includes the Outstanding Nominal Balance of the Mortgage Loans both up to date in payment and delinquent up to no more than ninety (90) days.

In general, the quality of the Mortgage Loans and the protective mechanisms and financial operations established for maintaining the financial balance of the Fund are such that they have been considered sufficient by the Rating Agencies to assign ratings to each Series of Securitisation Bonds included in section 7.5 of the Securities Note.

#### **3.4.2.1 Reserve Fund**

The Gestora, on behalf and for the account of the Issuer, will create a Reserve Fund with the following characteristics:

##### **(a) Amount**

With an initial allocation at the Closing Date of an amount equal to 1.60% of the initial nominal amount of the Securitisation Bonds of Series A1, A2a, A2b, B, C and D, in other words 16,000,000 euro (the "**Initial Reserve Fund**"). The Initial Reserve Fund will be financed via Series E Securitisation Bonds issued.

Subsequently, on each Payment Date, in accordance with the Order of Priority, the amount of the Reserve Fund will vary according to the following and will be provided with the following amounts (the "**Required Reserve Fund**"):

- A) If the Delinquency Ratio is lower than 3.00% it will be provided with the smaller of the following amounts:
  - 1. an amount equivalent to 1.60% of the initial nominal amount of the Securitisation Bonds of the Series A1, A2a, A2b, B, C and D (in other words 16,000,000 euro), or
  - 2. an amount equal to the larger of the following amounts:
    - (i) 0.80% of the initial nominal amount of the Securitisation Bonds of the Series A1, A2a, A2b, B, C and D (in other words 8,000,000 euro), or
    - (ii) 3.20% of the Outstanding Nominal Balance of the Securitisation Bonds of the Series A1, A2a, A2b, B, C and D.
- B) If the Delinquency Ratio is equal to or greater than 3.00% it will be provided with the smaller of the following amounts:
  - 1. an amount equivalent to 1.70% of the initial nominal amount of the Securitisation Bonds of the Series A1, A2a, A2b, B, C and D (in other words 17,000,000 euro) ("**Maximum Reserve Fund**"), or
  - 2. an amount equal to the larger of the following amounts:
    - (i) 0.85% of the initial nominal balance of the Securitisation Bonds of the Series A1, A2a, A2b, B, C and D (in other words 8,000,000 euro), or



- (ii) 3.50% of the Outstanding Nominal Balance of the Securitisation Bonds of the Series A1, A2a, A2b, B, C and D.

In any event, the Required Reserve Fund will not be reduced:

- three (3) years after the Issuer Establishment Date, nor
- if the Required Reserve Fund was not provided in full on the preceding Payment Date, nor
- if the Delinquency Ratio on the preceding Determination Date is higher than 1.00%.

**(b) Return**

The amount of the Reserve Fund will be paid into the Treasury Account and will be the object of the Guaranteed Rate of Reinvestment Agreement for the Treasury Account to be entered into with CAIXA CATALUNYA and described in section 3.4.4.1 of this Additional Module.

**c) Allocation**

The Reserve Fund will be allocated, on each Payment Date, to fulfil the payment obligations included in the Order of Priority of Payments, provided that on the relevant Payment Date, the balance of the Treasury Account has been exhausted,.

**3.4.3 Details of any subordinated debt financing.**

**3.4.3.1 Loan Agreement for Initial Expenses**

**a) Amount and allocation**

The Gestora shall, for and on behalf of the Issuer, enter into a loan agreement for initial expenses with CAIXA CATALUNYA for the maximum amount of TWO MILLION FIVE HUNDRED THOUSAND (2,500,000) euro (the "**Loan for Initial Expenses**") which will be used to finance the expenses of establishment of the Issuer and issue of the Securitisation Bonds, to partially finance the acquisition of Mortgage Transfer Certificates (in particular, the amount corresponding to interest earned due to the deferment of payment of the nominal amount of the Mortgage Transfer Certificates until the Closing Date), and to pay due and payable interest on each of the First Drawdowns, at the date of issue of the Mortgage Transfer Certificates.

The Loan for Initial Expenses shall be drawn on the Repayment Date and its granting shall in no circumstances be understood to guarantee satisfactory conclusion of the First Drawdowns assigned to the issuer through the Mortgage Transfer Certificates, to be issued by CAIXA CATALUNYA.

The remuneration on the Loan for Initial Expenses, due precisely to its subordinated nature in respect of the Issuer's other obligations, and because its repayment depends on the performance of the Mortgage Transfer Certificates, and of the evolution of the interest rates paid to the issued Bonds, shall have two components, one set and fixed ("**Fixed Remuneration**") and the other variable, according to the evolution the risks of the Issuer ("**Variable Remuneration**").

**b) Fixed remuneration**

The Fixed Remuneration shall be an annual nominal interest, variable and payable quarterly, equal to the Reference Interest Rate described in section 4.8 of the Securities Note. This interest will only be credited if the Issuer has sufficient liquidity in the Treasury Account on the relevant Payment Date in accordance with the Order of Priority established in section 3.4.6.1 of this Additional Module. The accrued interest to be paid on the Payment Date on which each Interest Period ends will be calculated based on: (i) the actual number of days in each Interest Period and (ii) one year of 365 days.

Interest accrued and unpaid on a Payment Date because the Issuer lacks liquidity in the Treasury Account in accordance with the Order of Priority will be capitalised accruing a default interest at the same rate as that of the Loan for Initial Expenses and will be payable on the next Payment Date.

#### **c) Variable Remuneration**

The Variable Remuneration shall consist of CAIXA CATALUNYA having also the right to receive each quarter a subordinate variable amount to be determined and accrue quarterly in arrears, including the three calendar months preceding the month of each Payment Date in an amount equal to the positive difference, if any, between the book income and the book expenditure of the Issuer, according to its books and before the closing of the months of March, June, September and December, for the last month of each quarterly period.

The Variable Remuneration that may have accrued at the closing of the months of December, March, June and September shall be settled on the Payment Date immediately following the last day of each of the aforementioned months, provided that the Issuer has sufficient liquidity in accordance with the Order of Priority.

The Variable Remuneration shall be subordinated to any other payment to be made by the Issuer, according to the Order of Priority and shall be paid whenever the Issuer has sufficient liquidity, no arrears interest to accrue or be accumulated to the principal of the Loan for Initial Expenses.

#### **d) Repayment and Maturity**

The Loan for Initial Expenses will mature on the Final Repayment Date of the Fund or on the date of early liquidation, whichever comes first. Nevertheless the Gestora may, on behalf and for the account of the Issuer, freely repay any part of the Loan for Initial Expenses on each Payment Date if there are Available Funds for this purpose in the Treasury Account, in accordance with the Order of Priority.

### **3.4.3.2 Subordination of the Bonds of Series B, C, D and E.**

Payment of interest and repayment of the principal of Series B Bonds ranks below those for Series A1, A2a and A2b Bonds in the Order of Priority of Payments established in section 3.4.6.1 of the Additional Module and the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Module.

Payment of interest and repayment of the principal of Series C Bonds ranks below those for Series A1, A2a, A2b and B Bonds in the Order of Priority of Payments established in section 3.4.6.1 of the Additional Module and the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Module..

Payment of interest and repayment of the principal of Series D Bonds ranks below those for Series A1, A2a, A2b, B and C Bonds in the Order of Priority of Payments established in section 3.4.6.1 of the Additional Module and the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Module..

Payment of interest and repayment of the principal of Series E Bonds ranks below those for Series A1, A2a, A2b, B, C and D Bonds in the Order of Priority of Payments established in section 3.4.6.1 of the Additional Module and the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Module..

Sections 3.4.6.1 and 3.4.6.2 of the Securities Note detail the ranking in the Fund's Order of Priority of Payments of the interest payments and principal repayment for the Bonds of each series.

### **3.4.4 Parameters for the investment of temporary liquidity surpluses and a description of the parties responsible for this investment.**

The investment parameters for the investment of Fund liquidity surpluses are included in the Guaranteed Interest Reinvestment Agreement for the Treasury Account

#### 3.4.4.1 Guaranteed Interest Reinvestment Agreement for the Treasury Account.

The Gestora, on behalf and for the account of the Issuer, and CAIXA CATALUNYA will enter into a Guaranteed Interest Reinvestment Agreement for the Treasury Account according to which CAIXA CATALUNYA will guarantee a return on the amounts deposited by the Issuer in an account open with the aforesaid credit institution (the “**Treasury Account**”).

The balances of the Treasury Account will be maintained in Euros.

Specifically, any amounts received by the Issuer as:

- (i) principal and interest of the Mortgage Transfer Certificates;
- (ii) any other amounts corresponding to the Mortgage Transfer Certificates grouped together in the Fund;
- (iii) amounts comprising the Reserve Fund at any time;
- (iv) the amounts credited to the Issuer according to the Swap Agreement;
- (v) The returns obtained on the balances in the Treasury Account itself and in the Repayment Account; and

will be deposited in the Treasury Account, initially open in CAIXA CATALUNYA in the name of the Issuer by the Gestora.

CAIXA CATALUNYA guarantees an income on said account with the following features:

- 1) The life of the account will be divided into interest periods, each of which will end on the last day of each calendar month.
- 2) The annual Nominal Interest Rate, variable quarterly, applicable to each interest period will be the Reference Interest Rate referred to in section 4.8 of the Securities Note, and will be applied to the calendar month corresponding to said Interest Rate Determination Time and to the next two calendar months. Interest will be credited to the Treasury Account within the following five (5) days, value date the first day after the preceding payment period.
- 3) Interest will be calculated in accordance with the Hamburg Method under Circular 8/1990, of September 7<sup>th</sup>, of the Banco de España, as soon as all transactions in the Treasury Account during the period of payment have been arranged in order of value date, by calculating the average balance, multiplying it by the agreed nominal interest to be credited and by the number of days of the period of payment and dividing the result by 36,500.
- 4) If, at any time during the life of the Securitisation Bonds the credit rating of CAIXA CATALUNYA's short-term debt is downgraded according to the MOODY'S rating scale for short-term debt to below P1 and/or according to the FITCH rating scale for short-term debt to below F1 and/or if the continuation of the Treasury Account with CAIXA CATALUNYA could give rise to a downgrade of the S&P ratings granted to each of the Bond Series, the Gestora, within a maximum of thirty (30) days after the notice of the rating downgrade, shall put into practice one of the options described below aimed at maintaining an appropriate level of guarantee in respect of the commitments deriving from the Agreement:

- a) To obtain from an institution with a minimum non-subordinated and unsecured short-term debt rating of P-1, F1 and A-1, according to

MOODY's, FITCH and S&P, respectively, a guaranty on first demand to secure to the Issuer, upon mere request by the Gestora, prompt payment by CAIXA CATALUNYA of its obligation to repay the amounts deposited in the Repayment Account while CAIXA CATALUNYA's ratings are below P-1 or F1 or while its situation could cause downgrading of the S&P ratings granted to each of the Bond Series.

- b) To transfer the Treasury Account of the Issuer to an entity with a non-subordinate, unsecured short-term debt rating of P-1, F1 and A-1, according to MOODY's, FITCH and S&P, respectively, and contract for the highest return possible for its balances which may be different from that contracted with CAIXA CATALUNYA hereunder.
  - c) If options a. and b. above are not possible, to obtain from CAIXA CATALUNYA or from a third party a pledge for the benefit of the Issuer on financial assets with a credit rating not below that of Spanish Public Debt, in an amount sufficient to secure the undertakings assumed under this Agreement and for the rating granted to the Bonds by the Rating Agencies not to be downgraded.
  - d) In addition, if the above options are not possible on the aforementioned terms, the Gestora may invest the balances, for periods with a maximum duration of until the next Payment Date, in short-term fixed income assets in euros issued by entities with at least P-1, F1 and A-1 short-term debt ratings according to MOODY's, FITCH and S&P, respectively, including short-term securities issued by the Spanish State, in which case too the resulting income may be different from that initially obtained with CAIXA CATALUNYA under this Agreement.
  - e) In both cases, b. and d., the Gestora may transfer the balances of the Treasury Account to CAIXA CATALUNYA again, if its short-term debt again reaches P-1, F1 above and the new situation of CAIXA CATALUNYA is unable to cause downgrading of the S&P ratings granted to each of the Bond Series.
- 5) Additionally, if until January 15, 2007, the credit rating of CAIXA CATALUNYA may cause downgrading of the S&P ratings granted to the Securitisation Bonds, the Gestora shall transfer, until the following Payment Date on which it will be returned to the relevant account for allocation, the surplus of the sum of the Treasury Account and the Repayment Account on 20% of the Outstanding Principal Balance of the Securitisation Bonds to an account with an entity with an unsecured and non-subordinated short-term debt rating of A-1+ according to S&P, P-1 according to Moody's and F1 according to Fitch, and will contract the maximum possible rate of return for its balances.

After January 15, 2007, the Gestora shall transfer, until the following Payment Date on which it will be returned to the relevant account for allocation, the surplus in the balance of the Treasury Account on 20% of the Outstanding Principal Balance of the Bonds to an account with an entity with an unsecured and non-subordinate short-term debt rating of A-1+ according to S&P, P-1 according to Moody's and F1 according to Fitch, and will contract the maximum possible rate of return for its balances, which may not be lower than that contracted with CAIXA CATALUNYA under this Agreement. (Hereinafter, the account opened in accordance with the provisions of the preceding paragraph, the "**Cash Surplus Account**").

- 6) If the short-term rating of the entity with which the Cash Surplus Account is opened falls below A-1+ according to S&P, P-1 according to Moody's and F1 according to Fitch, the Gestora shall have a period of 30 days to find an entity to replace it with an unsecured, non-subordinated short-term debt with a rating of A-1+ according to S&P, P-1 according to Moody's and F1 according to Fitch, or a guaranty on first demand

from an entity with a short-term debt rating of A-1+ according to S&P, P-1 according to Moody's and F1 according to Fitch.

The Guaranteed Interest Reinvestment Agreement for the Treasury Account mitigates the risk of the lag between the Issuer's cash inflows of principal and interest on the Mortgage Transfer Certificates received on a monthly basis and the repayment and payment of interest on the Securitisation Bonds, made quarterly.

The Guaranteed Interest Reinvestment Agreement for the Treasury Account will remain in force until the Final Repayment Date of the Issuer or the date of early liquidation of the Issuer, if this were earlier.

#### **3.4.4.2 Guaranteed Interest Reinvestment Agreement for the Repayment Account**

The Gestora, for and on behalf of the Issuer, and CAIXA CATALUNYA will enter into a Guaranteed Interest Reinvestment Agreement for the Repayment Account, according to which CAIXA CATALUNYA will guarantee a return on the amounts deposited by the Issuer in an account open with the aforesaid credit institution ("**Repayment Account**") in which will be deposited the amounts corresponding to the Capital Repayment Fund to repay Series A2a and A2b bonds, on a pro rata basis between the two series, once all Series A1 bonds have been repaid or in the event that Class A bonds are repaid on a pro rata basis, in accordance with the provisions of section 4.9.2.2 (ii) of the Securities Note. From the Payment Date of January 15, 2007, and once Series A1 Bonds have been fully repaid, these amounts shall be allocated to the repayment of the principal of Series A2a and A2b Bonds, in accordance with their repayment rules.

The balances of the Repayment Account will be maintained in Euros.

CAIXA CATALUNYA guarantees an income on said account with the following features:

- 1) The life of the account will be divided into interest periods, each of which will end on the last day of each calendar month.
- 2) The annual Nominal Interest Rate, variable quarterly, applicable to each interest period will be the Reference Interest Rate referred to in section II.10.1.c) and will be applied to the calendar month corresponding to said Interest Rate Determination Time and to the next two calendar months. Interest will be credited to the Treasury Account within the following five (5) days, value date the first day after the preceding payment period.
- 3) Interest will be calculated in accordance with the Hamburg Method under Circular 8/1990, of September 7<sup>th</sup>, of the Banco de España, as soon as all transactions in the Treasury Account during the period of payment have been arranged in order of value date, by calculating the average balance, multiplying it by the agreed nominal interest to be credited and by the number of days of the period of payment and dividing the result by 36,500.
- 4) If, at any time during the life of the Securitisation Bonds the credit rating of CAIXA CATALUNYA's short-term debt is downgraded according to the MOODY'S rating scale for short-term debt to below P1 and/or according to the FITCH rating scale for short-term debt to below F1 and/or if the continuation of the Treasury Account with CAIXA CATALUNYA could give rise to a downgrade of the S&P ratings granted to each of the Bond Series, the Gestora, within a maximum of thirty (30) business days after the notice of the rating downgrade, shall put into practice one of the options described below aimed at maintaining an appropriate level of guarantee in respect of the commitments deriving from the Agreement:
  - a) To obtain from an institution with a minimum non-subordinated and unsecured short-term debt rating of P-1, F1 and A-1, according to MOODY'S, FITCH and S&P, respectively, a guaranty on first demand to secure to the Issuer, upon mere request by the Gestora, prompt payment by CAIXA CATALUNYA of its obligation to repay the amounts deposited in the Repayment Account while CAIXA CATALUNYA's ratings are below P-1 or F1 or while its situation could cause downgrading of the S&P ratings granted to each of the Bond Series.

- b) To transfer the Treasury Account of the Issuer to an entity with a non-subordinate, unsecured short-term debt rating of P-1, F1 and A-1, according to MOODY's, FITCH and S&P, respectively, and contract for the highest return possible for its balances which may be different from that contracted with CAIXA CATALUNYA hereunder.
  - c) If options a. and b. above are not possible, to obtain from CAIXA CATALUNYA or from a third party a pledge for the benefit of the Issuer on financial assets with a credit rating not below that of Spanish Public Debt, in an amount sufficient to secure the undertakings assumed under this Agreement and for the rating granted to the Bonds by the Rating Agencies not to be downgraded.
  - c) In addition, if the above options are not possible on the aforementioned terms, the Gestora may invest the balances, for periods with a maximum duration of until the next Payment Date, in short-term fixed income assets in euros issued by entities with at least P-1, F1 and A-1 short-term debt ratings according to MOODY's, FITCH and S&P, respectively, including short-term securities issued by the Spanish State, in which case too the resulting income may be different from that initially obtained with CAIXA CATALUNYA under this Agreement.
  - d) In both cases, b. and d., the Gestora may transfer the balances of the Repayment Account to CAIXA CATALUNYA again, if its short-term debt again reaches P-1, F1 above and the new situation of CAIXA CATALUNYA is unable to cause downgrading of the S&P ratings granted to each of the Bond Series.
- 5) Additionally, if until January 15, 2007, the credit rating of CAIXA CATALUNYA may cause downgrading of the S&P ratings granted to the Securitisation Bonds, the Gestora shall transfer, until the following Payment Date on which it will be returned to the relevant account for allocation, the surplus of the sum of the Treasury Account and the Repayment Account on 20% of the Outstanding Principal Balance of the Securitisation Bonds to an account with an entity with an unsecured and non-subordinated short-term debt rating of A-1+ according to S&P, P-1 according to Moody's and F1 according to Fitch (the "**Cash Surplus Account**").
- 6) If the short-term rating of the entity with which the Cash Surplus Account is opened falls below A-1+ according to S&P, P-1 according to Moody's and F1 according to Fitch, the Gestora shall have a period of 30 days to find an entity to replace it with an unsecured, non-subordinated short-term debt with a rating of A-1+ according to S&P, P-1 according to Moody's and F1 according to Fitch, or a guaranty on first demand from an entity with a short-term debt rating of A-1+ according to S&P, P-1 according to Moody's and F1 according to Fitch.

The Guaranteed Interest Reinvestment Agreement for the Repayment Account will be fully terminated for legal purposes if the Rating Agencies fail to confirm, before commencement of the Subscription Period, that the ratings provisionally granted to each of the series are final. Additionally, the Repayment Account will be cancelled on the Payment Date of December 15, 2007, after it has been settled by the Gestora.

#### **3.4.5 Collection by the Issuer of payments relating to the assets.**

The collection of payments in respect of the assets is governed by the provisions of the Deed of Establishment with the functions of the Administrator being detailed in section 3.7.1 below of this Additional Module. The revenues received are deposited in the Treasury Account as described in section 3.4.4.1 above of this Additional Module.

#### **3.4.6 Order of priority of payments made by the issuer.**

##### **3.4.6.1 Source and Application of Funds**

###### **3.4.6.1.1 On the Closing Date**

The source and application of the proceeds available to the Issuer on the Closing Date of the issue of Securitisation Bonds will be the following:

**1. Source:** the Issuer will have proceeds available from:

- λ Payment of the Securitisation Bonds subscribed for on the market
- λ Loan Agreement for Initial Expenses

**2. Application:** on the Closing Date the Issuer will use the proceeds described above to make the following payments:

- v Payment of the price of issue of the Mortgage Transfer Certificates that form the Issuer.
- v Payment of initial expenses of establishment of the Issuer and issue of Securitisation Bonds.
- v Allocation to the Initial Reserve Fund.

#### **3.4.6.1.2 From the Closing Date and up to the final repayment of the Securitisation Bonds**

**1. Source:** the available amounts on each Payment Date will be the following (the “Available Funds”):

- a) The proceeds received as principal of the Mortgage Transfer Certificates during each preceding Determination Period. Such amounts will have been deposited in the Treasury Account in accordance with the provisions of section 3.4.4.1 of this Additional Module.
- b) The ordinary and default interest received from the Mortgage Transfer Certificates during each preceding Determination Period. Such amounts will have been deposited in the Treasury Account in accordance with the provisions of section 3.4.4.1 of this Additional Module.
- c) The income obtained during each preceding Determination Period from the reinvestment of the Reserve Fund, and from the other amounts deposited in the Treasury Account, and from the amounts deposited in the Repayment Account, in accordance with the provisions of sections 3.4.4.1 and 3.4.4.2 of this Additional Module, and in the Cash Surplus Account, where appropriate.
- d) The Reserve Fund described in section 3.4.2.1 of this Additional Module.
- e) Any other amounts received by the Issuer, including those resulting from its share in the sale or operation of property adjudicated to it.
- f) The Net Amounts received under the Swap Agreement according to the provisions of section 3.4.7.1 of this Additional Module or, in case of default by CAIXA CATALUNYA, amounts deposited by CAIXA CATALUNYA in an account open for the Issuer or the termination payment of the Swap.

**2. Application:**

**A)** The **Available Funds**, with the limitations and rules described above, will be allocated on each Payment Date to comply with the payment or withholding obligations, regardless of the time of their accrual, in the following Order of Priority:

- 1st. Payment of the ordinary and extraordinary expenses of the Issuer, whether funded or not by the Gestora and duly evidenced, including the

management fee due to the Gestora and the remaining expenses and fees for services.

In this order, payments will only be made to CAIXA CATALUNYA and in relation to the management of the Mortgage Transfer Certificates, for expenses it has advanced or funded for the account of the Issuer and for the amounts to be reimbursed, all duly evidenced.

- 2nd. Payment to CAIXA CATALUNYA or, if appropriate, to the entity replacing it, of the Net Amount of the Securitisation Bonds Swap and also, only if the Swap Agreement is terminated due to breach by the Issuer, payment of the amount due by the Issuer that corresponds to the termination payment of the Swap Agreement.
- 3rd. Pro rata payment of interest accrued on Series A1, A2a and A2b Securitisation Bonds.
- 4th. Payment of interest accrued on the Series B Securitisation Bonds, unless payment is deferred to 8<sup>th</sup> place in this order of priority.  
Payment of interest on Series B Bonds will be deferred to 8th place in this Order of Priority when:
  - 1) the cumulative balance of the Mortgage Transfer Certificates in arrears for more than eighteen (18) months or in enforcement of the mortgage security (if this enforcement process occurs provisionally before eighteen (18) months from the commencement of delinquency) (**“Outstanding Balance of Defaulted Mortgage Transfer Certificates”**) represents a percentage equal to or higher than 13.82% of the initial balance of the Mortgage Transfer Certificates; and
  - 2) The principal of Series A1, A2a, and A2b Bonds has not been fully repaid and this is not going to occur on the corresponding Payment Date.
- 5th. Payment of interest accrued on Series C Securitisation Bonds, unless payment is deferred to 9<sup>th</sup> place in this order of priority.  
Payment of interest on Series C Bonds will be deferred to 9th place in this Order of Priority when:
  - i. The Cumulative Balance of Defaulted Mortgage Transfer Certificates represents a percentage equal to or higher than 10.39% of the initial balance of the Mortgage Transfer Certificates; and
  - ii. The principal of Series A1, A2a, A2b and B Bonds has not been fully repaid and this is not going to occur on the corresponding Payment Date.6th.  
Payment of interest accrued on Series D Securitisation Bonds, unless payment is deferred to 10<sup>th</sup> place in this order of priority.
- 6<sup>th</sup> Payment of interest on Series D Bonds will be deferred to 10th place in this Order of Priority when:
  - a. The Cumulative Balance of Defaulted Mortgage Transfer Certificates represents a percentage equal to or higher than 7% of the initial balance of the Mortgage Transfer Certificates; and



- b. The principal of Series A1, A2a, A2b, B and C Bonds has not been fully repaid and this is not going to occur on the corresponding Payment Date.

- 7th. Withholding of an amount sufficient to make the Provision for the Capital Repayment Fund as envisaged in section 4.9.2.6 of the Securities Note.
- 8th. Payment of interest accrued on Series B Securitisation Bonds, when this payment is deferred.
- 9th. Payment of interest accrued on Series C Securitisation Bonds, when this payment is deferred.
- 10<sup>th</sup>. Payment of interest accrued on Series D Securitisation Bonds, when this payment is deferred.
- 11th. Withholding of a sufficient amount to maintain the Required Reserve Fund pursuant to section 3.4.2.1. This allocation shall not be made on the last Payment Date or date of liquidation of the Issuer.
- 12<sup>th</sup>. Payment of the interest accrued on the Series E Securitisation Bonds.
- 13<sup>th</sup>. Repayment of Series E Securitisation Bonds in the corresponding amount.
- 14<sup>th</sup>. Payment of the Swap Agreement, in the event of termination of said Agreement due to default of the counterparty, payment of the amount payable by the Issuer entailing payment for settlement of said Swap Agreement.
- 15<sup>th</sup>. Payment of Fixed Remuneration accrued on the Loan for Initial Expenses.
- 16th. Repayment of the principal of the Loan for Initial Expenses in accordance with the provisions of section 3.4.3 of this Additional Module.
- 17th. Payment of Variable Remuneration on the Loan for Initial Expenses.
- In the event the Available Funds are insufficient to make any of the above payments, the following rules shall apply:

- Φ The Available Funds of the Issuer shall be applied to the different items mentioned in the above section in the order of priority established and pro rata to the amount due among those entitled to receive payment.
- Φ On the following Payment Date, the unpaid amounts shall be ranked in the order of priority immediately above the item to which they refer.

**B) The Capital Repayment Fund** shall be allocated in accordance with the rules for the Distribution of the Capital Repayment Fund established in section 4.9.2.5 of the Securities Note.

#### **3.4.6.1.3 Exceptional rules for the order of priority of payments made by the Issuer**

Although CAIXA CATALUNYA shall not receive a commission for its administration and custody of the Mortgage Loans, if CAIXA CATALUNYA were to be substituted in the administration of said Mortgage Loans, the substituting entity shall have the right to receive a commission which shall rank 1st in the Fund's Order of Priority of Payments. If the Fund, through the Gestora, due to lack of sufficient liquidity in accordance with the Order of Priority of Payments of the Fund, does not pay all the commission owed on a Payment Date, the unpaid amounts shall be added without penalty to the commission to be paid on the following Payment Date, with payment being made at that moment.

#### **3.4.6.2 Rules for the order of priority of payments in the event of the Issuer's liquidation**

The Gestora will liquidate the Issuer on the Payment Date on which the following takes place, pursuant to section 4.4 of the Registration Document, by allocation of the funds available from the following items: (i) the Available Resources; (ii) any amounts obtained by the Issuer on the disposal of the assets relating to any remaining Mortgage Transfer Certificates and, if appropriate, (iii) any amount drawn down under a credit facility arranged to be used in full for the final repayment of Series A1, A2a, A2b, B, C and D Bonds pursuant to section 4.4 of the Registration Document in the following order of priority of payments (the “**Liquidation Order of Priority**”):

- 1st. Reserve to cover tax, administrative or advertising expenses incurred on the termination and liquidation of the Issuer;
  - 2nd. Payment of the ordinary and extraordinary expenses of the Issuer, whether funded or not by the Gestora and duly evidenced, including the management fee due to the Gestora and the remaining expenses and fees for services.  
In this order, payments will only be made to CAIXA CATALUNYA and in relation to the management of the Mortgage Transfer Certificates, for expenses it has advanced or funded for the account of the Issuer and for the amounts to be reimbursed, all duly evidenced.
  - 3rd. Payment to CAIXA CATALUNYA or, as the case may be, any entity that may replace it, of the Net Amount of the Swap of the Securitisation Bonds and also, only if the Swap Agreement is terminated due to breach by the Issuer, payment of the amount due by the Issuer as the payment for settlement of the Swap Agreement.
  - 4th. Pro rata payment of interest accrued on Series A1, A2a and A2b Bonds.
  - 5th. Pro rata repayment of principal on Series A1, A2a and A2b Bonds.
  - 6th. Payment of interest accrued on Series B Bonds.
  - 7th. Repayment of the principal on Series B Bonds.
  - 8th. Payment of interest accrued on Series C Bonds.
  - 9th. Repayment of principal on Series C Bonds.
  - 10<sup>th</sup> Payment of interest accrued on Series D Bonds.
  - 11<sup>th</sup> Repayment of principal on Series D Bonds.
  - 12<sup>th</sup> Payment of the interest accrued on the Series E Securitisation Bonds.
  - 13<sup>th</sup> Repayment of principal on Series E Securitisation Bonds.
  - 14<sup>th</sup> Payment of the Swap Agreement, in the event of termination of said Agreement due to default of the counterparty, payment of the amount payable by the Issuer entailing payment for settlement of said Swap Agreement.
  - 15<sup>th</sup> Payment of Fixed Remuneration accrued on the Loan for Initial Expenses.
  - 16th. Repayment of the principal of the Loan for Initial Expenses as established in Section 3.4.4. of the Additional Module.
  - 17<sup>th</sup> If applicable, return of the interest and principal of the credit line arranged to be used in its entirety for the final redemption of the Bonds of Series A1, A2a, A2b, B, C and D in accordance with the provisions of section 4.4 of the Registration Document.
  - 18th. Payment of Variable Remuneration on the Loan for Initial Expenses.
- If in a single order of priority there are amounts claimable for different items on the Final Repayment Date or on the Date of Payment on which early liquidation takes place, and the Available Resources are insufficient to cover all amounts claimable under those items, the remaining Available Resources will be allocated pro rata among said amounts claimable for each item, and the amount allocated to each item will be distributed according to the order of repayment of the claimable debts.

### **3.4.7 Other arrangements upon which payments of interest and principal to investors are dependent.**

#### **3.4.7.1 Interest Rate Swap Agreement**

For and on behalf of the Issuer, the Gestora will enter into with CAIXA CATALUNYA an Interest Rate Swap Agreement or Swap Agreement, ISDA Master Agreement (Multicurrency-Cross Border) of 2002 and the definitions of 2000 (ISDA 2000 Definitions)

of the International Swap Dealers Association, Inc, (“ISDA”) (the “**Master Agreement**”), the most significant features of which are described in the paragraphs that follow.

Under the Swap Agreement, the Issuer will make payments to CAIXA CATALUNYA for an amount equal to the sum of all interest received from the Mortgage Transfer Certificates during the most recent Determination Period and, as counterparty, CAIXA CATALUNYA will make payments to the Issuer calculated according to the weighted average interest rate of the Securitisation Bonds Series A1, A2a, A2b, B, C and D, all as described below.

**Party A:** The Gestora, on behalf and for the account of the Issuer.

**Party B:** CAIXA CATALUNYA.

**Amount payable by Party A**

The sum of all interest received from the Mortgage Transfer Certificates during the most recent Determination Period.

**Amount payable by Party B**

The result of applying the Party B Interest Rate (as determined in paragraph (iii) below to the Notional amount of the Swap for Party B, according to paragraph (iv) below.

**Party B Interest Rate**

The interest rate per annum obtained by applying the Reference Interest Rate of the Securitisation Bonds of Series A1, A2a, A2b, B, C and D for the Interest Period in progress plus the average margin of Securitisation Bonds of Series A1, A2a, A2b, B, C and D on the Payment Date, weighted by the Outstanding Principal Balance of the Securitisation Bonds of Series A1, A2a, A2b, B, C and D in the Determination Period immediately prior to the Payment Date, plus 0.65%.

**Notional of the Swap for Party B**

This will be the sum of:

- a) the daily average for the expiring Determination Period of the Outstanding Balance of the Mortgage Portfolio, that is no more than three (3) months past due and excluding the First Drawdowns in Forbearance Period, unless those Drawdowns in Forbearance Period represent more than 35% of the Outstanding Balance of the Mortgage Portfolio, in which case they will be included, (all of the above hereinafter referred to as the “**Notional Balance of the Mortgage Transfer Certificates**”), plus
- b) the result of multiplying (i) the daily average during the expiring Determination Period of the balance of the Repayment Account by (ii) the average margin applicable for determining the Nominal Interest Rate of Series A1, A2a, A2b, B, C and D of the Securitisation Bonds, weighted by the outstanding balance of the Series A1, A2a, A2b, B, C and D during the Interest Period in progress, all divided by the Party B Interest Rate, plus
- c) in the event CAIXA CATALUNYA is replaced as Administrator of the Mortgage Loans, the result of dividing (i) the amount of the commission accrued during the Determination Period immediately prior to the Payment Date by the administrator and custodian of the Mortgage Loans, by (ii) the Party B Interest Rate.

The payments to be made (or received) under the Swap Agreement will be made on each Payment Date for their net value, that is, for the positive (or negative) difference between

the amount payable by Party A and the amount payable by Party B (hereinafter, the "**Net Amount**").

If on a Payment Date the Issuer does not have sufficient Available Funds to pay the whole of the Net Amount payable to Party B, the Swap Agreement may be terminated at the initiative of Party B. In this event, the Issuer shall assume the obligation to pay the liquidation amount stipulated in the Agreement, if applicable, all in accordance with the Order of Priority of Payments. Without prejudice to the foregoing, except in the extreme situation described above of a permanent imbalance, the Gestora, acting on behalf of the Issuer, will endeavour to maintain an interest rate swap contract in force at all times, provided this does not cause a financial imbalance in the Issuer.

If on a Payment Date Party B fails to perform its payment obligations for the whole of the Net Amount payable to the Issuer, the Swap Agreement may be terminated at the initiative of the Gestora, for and on behalf of the Issuer, without prejudice to the possibility of disposing of the cash deposit described further below. In this event: (i) Party B shall assume the obligation to pay the liquidation amount stipulated in the Agreement, if applicable; and (ii) the amounts payable by the Issuer, if applicable, to Party B, under the Swap Agreement will be moved to 12<sup>th</sup> in the Order of Priority of Payments.

The Swap Agreement will remain in force until the Final Maturity Date of the Issuer, or, the date on which the Issuer is terminated under section 4.4 of the Registration Document.

The Interest Rate Swap Agreement is entered into, first, to fulfil the need to cover the interest rate risk arising because the First Drawdowns are subject to variable interest rates with different reference indexes and different revision and assessment periods than for the variable interest rates established for each of the Series of Securitisation Bonds against the Fund; and, second, for the risk that, according to the regulations regarding amendment and subrogation of Mortgage Loans, the First Drawdowns may become the subject of renegotiations that reduce the covenanted interest rate.

#### **Other obligations of the Interest Rate Swap Agreement**

If at any time during the life of the Securitisation Bonds the credit rating of the long-term debt of Party B is downgraded according to the MOODY'S rating scale for long-term debt to below A1 and/or according to the FITCH rating scale for short-term debt to below F1 or below A, for long-term debt, and/or if the continuation of Party B as counterparty of the Swap Agreement could give rise to a downgrade of the S&P ratings granted to each of the Bond Series, then Party B, within a maximum of thirty (30) days after the notice of the rating downgrade, will be obliged to: (i) find a third entity with a minimum rating of A1 and A for long-term debt, according to the MOODY'S and FITCH rating scales respectively, and of F1, for short-term debt, according to FITCH rating scales, and of A-1, for short-term debt, according to the S&P rating scale, that guarantees the obligations arising under the Swap Agreement, on the terms deemed appropriate by the Gestora, MOODY'S, FITCH and S&P and guarantees maintenance of the rating of the Securitisation Bonds; or (ii) assign its contractual position in the Swap Agreement to a third entity with a minimum rating of A1 and A for long-term debt, according to the MOODY'S and FITCH rating scales respectively, and of F1, for short-term debt, according to the FITCH rating scale and of A-1, for short-term debt, according to the S&P rating scale; or (iii) make a deposit of cash or securities for the benefit of the Issuer, in an account held in another entity whose short-term debt has a rating of P-1, F1 and A-1 according to the Moody's, Fitch and S&P rating scales, respectively, as security for performance of its contractual obligations in an amount calculated according to the market value of the Swap Agreement (including the costs of administration in the event CAIXA CATALUNYA is replaced as Administrator) so that the rating granted to the Securitisation Bonds by the Rating Agency is not impaired and, if applicable, if the rating assigned to Party B is less than Baa2 long-term or P-2 short-term on the Moody's rating scale and/or than BBB long-term and/or F2 short term on the FITCH rating scale, in addition, one of options (i) or (ii) above [\(in the understanding that this option \(iii\) will be adopted immediately\)](#). [Furthermore, if the continuation of Party B could give rise to a downgrade of the credit ratings given to the Securitisation Bonds by S&P, Party B will be immediately replaced by a new counterparty with a rating of at least A-1](#)

[short-term according to the S&P rating scale, A1 from Moody's, and A for long term debt and F1 for short term debt from Fitch.](#)

All costs, taxes and expenses generated by Party B's replacement as counterparty in the Swap Agreement will be for the account of Party B.

### 3.4.7.2 Paying Agency Agreement for the Securitisation Bonds.

The Gestora, for and on behalf of the Issuer, will enter into a Paying Agency Agreement with CAIXA CATALUNYA to perform the financial service of the Issue of Securitisation Bonds issued by the Fund, the main terms of which are set out in section 5.2 of the Securities Note.

### 3.5 Name, address and significant economic activities of originators of the securitised assets.

The originator of the First Drawdowns assigned to the Issuer is CAIXA D'ESTALVIS DE CATALUNYA, CAIXA CATALUNYA ("CAIXA CATALUNYA").

CAIXA CATALUNYA is a credit institution organised as a foundation for social welfare purposes, at the service of its depositors and of the economic and social development of its area of influence.

Its registered office is located at Plaza Antoni Maura, 6 08003, Barcelona, and holds CIF taxpayer identification number G-08169815.

It is registered in the Companies Registry of Barcelona in page B47741, folio 1, volume 23120, 1st entry.

It is subject to supervision by the Bank of Spain and is registered in the Bank of Spain's Registry of Savings Banks under number 16.

Shown in the following table is the selected financial information for the second quarter of 2005 and its comparison with respect to the previous year. The information has been prepared in accordance with Bank of Spain Circular 4/2004.

	30-09-2005	30-09-2004	Δ%
<b>BALANCE SHEET (€ mn)</b>			
Total Assets	47.076	38.382	22,65%
Total Assets ex-securitisation	44.356	36.963	20,00%
Gross Lending to Customers	31.788	25.308	25,60%
Gross Lending to Customers ex-securitisation	29.357	23.966	22,50%
Funds Managed	37.699	30.294	24,44%
Outside Funds on Balance Sheet	31.067	24.795	25,30%
Other Funds Managed (1)	6.632	5.500	20,60%
Business Volume	69.487	55.602	24,97%
Business Volume ex-securitisation	64.404	52.877	21,80%
Capital and Reserves	2.999	2.179	37,68%
<b>INCOME STATEMENT (€ mn)</b>			
Net interest income	464	417	11,35%
Basic Income	693	603	14,96%
Ordinary Income	730	653	11,79%
Operating Income	365	312	16,83%
Profit before Taxes	249	212	17,30%
Profit after Taxes	183	157	16,81%
Net Income attributed to the Group	177	148	19,42%
<b>RATIOS</b>			
NPL Rate	0,89%	1,03%	-13,59%
NPL Coverage Rate	225,18%	196,50%	14,60%
Strict Efficiency Ratio (2)	50,04%	52,20%	-4,14%
Efficiency Ratio (2)	58,86%	62,51%	-5,84%

	<b>30-09-2005</b>	<b>30-09-2004</b>	<b>Δ%</b>
Solvency Ratio (3)	10,95%	9,34%	17,24%
Core Capital (3)	1.709	1.404	21,66%
Stable Capital (4)	1.648	1.169	40,90%

#### **OFFICES AND EMPLOYEES**

Offices (5)	1.032	1.013	1,88%
Employees (5)	5.853	5.605	4,42%

- (1) Investment Funds + Pension Plans and Insurance Technical Reserves + Asset Management.  
(2) Operating Expenses / Ordinary Income.  
(3) General and Administrative Expenses / Ordinary Income. In application of the Circular 5/93 of the Bank of Spain, the calculation of the Solvency Ratio of Grupo Caixa Catalunya is performed semi-annually.  
(4) Capital plus reserves.  
(5) Offices and employees involved in the ordinary business.

### **3.6 Return and/or repayment of the securities with others that are not assets of the issuer.**

Not applicable.

### **3.7 Administrator, calculation agent or equivalent.**

CAIXA CATALUNYA is acting in the present operation as Lead Manager, Seller, Paying Agent and Administrator of the Mortgage Loans. A summary description of the related commitments and responsibilities is given below.

The Gestora will be responsible for performing the calculations and activities envisaged in the Deed of Establishment, in this Prospectus and in the various contracts for operations of the Issuer set out in this Prospectus, without prejudice to the calculation of the Notional Amount and amounts payable in the Interest Rate Swap Agreements being performed by the corresponding Counterparty.

#### **3.7.1 Administration**

CAIXA CATALUNYA (for these purposes, the "**Administrator**"), the entity issuing the Mortgage Transfer Certificates, in accordance with article 2.2 of Royal Decree 926/1998 and article 61.3 of Royal Decree 685/1982, undertakes to perform the custody and administration of the Mortgage Loans, devoting the same time and attention and level of skill, care and diligence that it would apply in the management of mortgage loans for which it has not issued Mortgage Transfer Certificates, and to provide the other services described in this Prospectus and included in the Deed of Establishment.

CAIXA CATALUNYA may voluntarily be substituted in the administration of the Mortgage Loans provided that this is in accordance with the legislation in force from time to time, that the ratings of the Securitisation Bonds are not impaired, that the Gestora authorises the substitution and that a substitute has been found to replace CAIXA CATALUNYA in the administration function, indemnifying, in any case, the Issuer for any damage and losses which the substitution may cause to it.

A concise description of the structure and the ordinary procedures of administration and custodianship (the "**Services**") of the Mortgage Loans regulated by the Deed of Establishment of the Issuer is contained in the following sections.

##### **3.7.1.1 Term.**

The Services will be provided by CAIXA CATALUNYA until, once all the First Drawdowns have been repaid in full, all the obligations assumed by CAIXA CATALUNYA in relation to the Mortgage Transfer Certificates have been extinguished.

##### **3.7.1.2 Subcontracting.**

CAIXA CATALUNYA may subcontract any of the Services which it has undertaken to provide to the Gestora on behalf of the Issuer, except for those that may not be delegated in accordance with the prevailing legislation. In no event may such subcontracting cause an increase in the costs payable by the Issuer to CAIXA CATALUNYA for the provision of the Services or a downgrading of the rating granted to the Securitisation Bonds by the Rating Agencies.

Any such subcontract or delegation notwithstanding, CAIXA CATALUNYA will not be exempted or released by the subcontract or delegation from any of the liabilities it assumes under the Deed of Establishment.

#### **3.7.1.3 Responsibility of CAIXA CATALUNYA as Administrator.**

CAIXA CATALUNYA will undertake to act as custodian and Administrator of the Mortgage Loans with all due diligence and will be liable to the Issuer, through the Gestora, for any damage which may arise out of its negligence.

CAIXA CATALUNYA will indemnify the Issuer, through the Gestora, for any damage, loss or expense which the Issuer may have incurred due to the breach of CAIXA CATALUNYA's custody and/or management duties in relation to the Mortgage Loans.

CAIXA CATALUNYA will assume no liability for default on payment of the Mortgage Transfer Certificates arising from a payment default by the Mortgagors on the First Drawdowns, whether of principal, of interest or of any other amount that said Mortgagors may owe under the First Drawdowns. Neither will it assume in any other way responsibility for guaranteeing directly or indirectly the successful outcome of the transaction, it will grant no guarantees nor sureties and will not enter into any agreements for the repurchase of the Mortgage Transfer Certificates except for those that do not fulfil the representations and warranties about the characteristics of the Mortgage Transfer Certificates that will grant in the Deed of Establishment and have been reproduced in section 2.2.b) of this Additional Module, and in accordance with the provisions of this Prospectus.

#### **3.7.1.4 Delivery and deposit of the Mortgage Transfer Certificates.**

The Mortgage Transfer Certificates issued by CAIXA CATALUNYA and represented by securities registered in the name of the Issuer will remain deposited in CAIXA CATALUNYA. Said deposit will be made free of charge for the benefit of the Issuer in such a way that CAIXA CATALUNYA will keep the custody of the Mortgage Transfer Certificates deposited following the instructions of the Gestora.

#### **3.7.1.5 Custody of deeds, documents and records.**

The Administrator will keep all the deeds, documents and computerised registers relating to the First Drawdowns, the Mortgage Loans and, if applicable, the damage insurance policies contracted by the Mortgagors, in safe custody and will not part with their possession, custody or control without the prior written consent of the Gestora unless a document is required of it to initiate proceedings for the foreclosure of a Mortgage Loan.

The Administrator will grant to the Gestora or the auditors of the Issuer, duly authorised by the Issuer, reasonable access, at all times, to the aforesaid deeds, documents and registers. Likewise, upon the request of the Gestora, the Administrator will grant, within four (4) Business Days following such request and free of charge, a copy or photocopy of any of the aforesaid deeds and documents.

The Administrator waives in all cases any privileges which the law confers upon it in its capacity as collection agent of the Issuer and depository of the Mortgage Loan agreements and the respective Mortgage Transfer Certificates and, in particular, it waives the privileges set out in articles 1730 and 1780 of the Civil Code and 276 of the Code of Commerce.

The Administrator will continue to be responsible for processing the computer files relating to the First Drawdowns, the personal data of the Mortgagors not to be included in the assignment of the First Drawdowns, and will hold the Issuer harmless against any damages that may be caused to it for penalties under Law 15/1999 of 13 December 1999 on the Protection of Personal Data and its implementing regulations.

#### **3.7.1.6 Collection management.**

CAIXA CATALUNYA, as collection agent, will receive on behalf of the Issuer the amounts paid by the Mortgagors under the First Drawdowns in respect of principal or interest, and any other item (excluding fees, which shall continue to be owned by CAIXA CATALUNYA) and the insurance contracts assigned to the Issuer, and CAIXA CATALUNYA will pay into the Treasury Account amounts owed to the Issuer under section 3.3.3. of the Additional Module, immediately and, in any case, no later than forty-eight (48) hours after it has received them for the account of the Issuer.

Likewise, CAIXA CATALUNYA will pay into this Account, within the same time limit, such amounts as it may receive from the Mortgagors for prepayment of the First Drawdowns that are owed to the Issuer on the terms set out in section 3.3.3 of the Additional Module.

The Administrator will apply equal diligence and the same claim procedure for amounts past due and unpaid on the First Drawdowns as it would apply for other loans in its portfolio. In the event of breach by the Mortgagors of their obligations and, specifically, in the event of default on the payments owed by the Mortgagors for the First Drawdowns, the Administrator will apply the usual measures for such circumstances.

In addition, CAIXA CATALUNYA undertakes to inform the Gestora on a daily basis and on behalf of the Issuer of the non-payments, prepayments and changes in interest rates and to promptly advise the Gestora of any payment demands, judicial proceedings or other circumstances that may affect the Mortgage Loans. CAIXA CATALUNYA will also make available to the Gestora all such documentation regarding the First Drawdowns and the Mortgage Loans as the latter may request and, in particular, all documentation necessary for the initiation by the Gestora of any judicial proceedings.

##### **a) Enforcement against Mortgagors**

The Administrator will generally commence mortgage foreclosure if, during a period of seven (7) months, the Mortgagor of a First Drawdown who has defaulted on its payment obligations fails to resume payments to the Administrator and the Administrator, with the consent of the Gestora, does not obtain a payment commitment satisfactory to the interests of the Issuer. The Administrator will, in any case, commence foreclosure immediately if the Gestora, on behalf of the Issuer, considers this appropriate after analysing the specific circumstances of the case. Some of the Mortgage Loans underlying the Mortgage Transfer Certificates may still have a valid entry in the registry indicating that the mortgaged properties securing the Mortgage Loans are subject to mortgages prior to those of the Mortgage Loan, even though the loans referred to by those prior mortgages have been repaid in full. Therefore, those Mortgage Loans for registry purposes do not have a first ranking mortgage, but instead a mortgage that ranks lower than the ones already registered. Nevertheless, given that the loans referred to by the previous mortgages have been cancelled in full, there is no creditor senior to the Seller.

The registry cancellation of those prior mortgages will be done as provided in the Mortgage Law and Mortgage Regulations, in their currently prevailing versions. Under that statute and regulations, if the Mortgage Loan is foreclosed without the prior mortgages having been cancelled, even though the loans to which they refer have been repaid in full, in order to effect the cancellation of the mortgages there must be handed down a final judgment (that is, one that admits of no appeal whatsoever) mandating such cancellation, specifying the entries that are to be cancelled, in accordance with articles 76 *et seq.* of the Mortgage Law and article 173 *et seq.* of the Mortgage Regulations.



If the Mortgage Loan is foreclosed without the prior mortgages having been cancelled in the registry, the party buying or awarded the property will be subrogated to the position of the obligor in those prior mortgages, in accordance with the provisions of article 231 of the Mortgage Regulations and article 118 of the Mortgage Law.

Without prejudice to the above, the Mortgagor and the former creditor of those loans may at any time execute a deed in which consent is given to the cancellation of the those mortgages. Lastly, there may also be initiated, under article 209 of the Mortgage Law, proceedings to release encumbrances for cancellation of the mortgages which have time lapsed in accordance with the applicable provisions of civil law.

In the case of non-payment of principal or interest of a Mortgage Transfer Certificate due to non-payment by the Mortgagor, the Gestora, acting for the account and on behalf of the Issuer, will be entitled to exercise the following rights set out in article 66 of Royal Decree 685/1982 as amended by Royal Decree 1289/1991, and which also are applicable to the Mortgage Transfer Certificates in accordance with Article 18 of Law 44/2002:

- (i) Compel the Administrator to commence foreclosure of the mortgage.
- (ii) Participate with the same rights as CAIXA CATALUNYA, as issuer of the Mortgage Transfer Certificates, in the foreclosure which CAIXA CATALUNYA pursues against the Mortgagor, appearing for this purpose in any foreclosure proceedings commenced by CAIXA CATALUNYA and sharing in the auction price pro rata to its participation in the foreclosed Mortgage Loan.
- (iii) If CAIXA CATALUNYA does not commence foreclosure proceedings within sixty (60) calendar days from the notarial notice demanding payment of the debt, the Gestora, on behalf and for the account of the Issuer, will have subsidiary standing to initiate foreclosure proceedings of the Mortgage Loan in the amount corresponding to its percentage participation, for both principal and interest, and CAIXA CATALUNYA will be obliged to issue a certificate of the existing balance of the Mortgage Loan for the purposes of article 517 of Law 1/2000 on Civil Procedure (*Ley de Enjuiciamiento Civil*; hereinafter, the “**LEC**”).
- (iv) Should the proceedings pursued by CAIXA CATALUNYA be suspended, the Issuer, duly represented by the Gestora, as co-owner of the mortgage right, may be subrogated to the position of CAIXA CATALUNYA and continue the foreclosure proceedings, without the need to wait for the stipulated period to elapse.

In the events provided for in paragraphs (iii) and (iv) above, the Gestora, on behalf and for the account of the Issuer, may request the competent Judge to initiate or continue the respective mortgage foreclosure proceedings, filing together with its claim the original Mortgage Transfer Certificate, the notarial notice referred to in paragraph (iii) above and the registry certificate of inscription and existence of the mortgage.

The Gestora, on behalf and for the account of the Issuer, as owner of the Mortgage Transfer Certificates, may likewise participate with equal rights with CAIXA CATALUNYA in the foreclosure proceedings and thus may, on the terms set out in Title IV of Book III of the LEC, request to be awarded the mortgaged property in payment of its credit. The Gestora will proceed with the sale of properties thus awarded as soon as possible in market conditions.

In any event, the proceeds from the foreclosure of the mortgage securing a Mortgage Loan will be owed to the Issuer proportionately to the First Drawdown which has given rise to the related Mortgage Transfer Certificate. In this regard, CAIXA CATALUNYA will recognise, if legally required, in the Deed of Establishment of the Issuer that the proceeds from foreclosure of a Mortgage Loan corresponding to the First Drawdown will belong to the Issuer.

**b) Enforcement against the Administrator.**

The Gestora, on behalf and for the account of the Issuer, will have a right of action against the Administrator to enforce the maturities of the Mortgage Transfer Certificates for principal and interest when the default on the obligation to pay the said items is not the result of non-payment by the Mortgagors of the First Drawdowns.

Once the First Drawdowns have been extinguished, the Issuer, through the Gestora, will maintain its rights of action against the Administrator until its obligations have been fulfilled.

**3.7.1.7 Determination of the interest rate.**

The Administrator will continue to determine the floating interest rates for the First Drawdowns in accordance with the terms established in the relevant Mortgage Loans, and will issue the communications and notifications required for this purpose in the respective contracts.

**3.7.1.8 Advance of funds.**

CAIXA CATALUNYA will never make an advance of any amount which has not been previously received from the Mortgagors in respect of principal, interests, prepayment or other items arising from the First Drawdowns.

**3.7.1.9 Decrease of the appraised value.**

If at any time the Administrator has actual knowledge that, for any reason, the value of a mortgaged property that secures a Mortgage Loan has decreased by more than 20% in comparison with the initial appraisal value determined in the Mortgage Loan agreement, it may demand that the Mortgagor extend the Mortgage to other assets sufficient to cover the required relation between the value of the said asset and the loan that it secures. If the Mortgagor, within two months after being required to extend the mortgage (i) neither does so (ii) nor returns the part of the loan exceeding the amount calculated by means of applying to the aforementioned value the percentage applied to determine the initial amount, the Administrator may terminate the Mortgage Loan agreement in accordance with the terms of that agreement, whenever the Administrator considers that non-termination of the agreement could be detrimental to the interests of the Issuer and gives reasoned advance notice to that effect to the Gestora.

**3.7.1.10 Insurance of Properties.**

The Administrator shall neither take nor fail to adopt any measure such as will result in the cancellation of any property insurance policy arranged by the Mortgagors or that would reduce the amount to be paid on any claim thereunder. The Administrator will use its best efforts and, in all events, will exercise the rights granted by such policies or the Mortgage Loan in order to maintain in force and with full effect each insurance for damage policy (or any other policy which provides equivalent cover) in relation to each Mortgage Loan and the respective property.

The Administrator, in the event of a loss, must coordinate the process for claiming compensation under the insurance for damages policies in accordance with the terms and conditions of the Mortgage Loans and the insurance for damage policies.

**3.7.1.11 Information.**

The Administrator will periodically report to the Gestora on the level of fulfilment by the Mortgagors of the obligations arising under the Mortgage Loans, on the compliance by the Administrator with the obligation to pay in the amounts received relating to the First Drawdowns and the actions taken in the event of default and the enforcement of guarantees.

The Administrator must prepare and deliver to the Gestora any additional information relating to the First Drawdowns and the Mortgage Loans or the rights arising thereunder that the Gestora may reasonably request.

#### **3.7.1.12 Subrogation of the Mortgagor.**

The Administrator will be authorised to allow substitutions of the Mortgagor in the Mortgage Loan contracts solely if the characteristics of the new Mortgagor are similar to those of the previous one and conform to the same policy for granting Mortgage Loans contained in the Memorandum on Mortgage Lending Policy attached as an annex to the Deed of Establishment of the Issuer, and provided that the expenses resulting from this modification are borne in full by the Mortgagors. The Gestora may limit fully or partly this authority of the Administrator or establish conditions therefor if such substitutions are capable of having a negative effect on the rating granted to the Securitisation Bonds by the Rating Agencies.

Also, the Mortgagor may request the subrogation of CAIXA CATALUNYA in the Mortgage Loans in accordance with the terms of Law 2/1994 on Subrogation and Amendment of Mortgage Loans. The subrogation of a new creditor in the Mortgage Loan and the subsequent payment of the amount owed will produce the early redemption of the respective Mortgage Transfer Certificate.

#### **3.7.1.13 Authorities and acts in relation to renegotiations of the Mortgage Loans.**

The Administrator will not be able to cancel voluntarily the mortgages subject of the Mortgage Transfer Certificates for any reason other than the payment of the Mortgage Loan, waive or make a settlement over the mortgages, cancel First Drawdowns in full or in part or extend them, nor generally do anything that may reduce the ranking, the legal effect or the economic value of the mortgage or the Mortgage Loans, although the Administrator will attend to the requests of the Mortgagors with the same diligence and procedure as for other non-securitised mortgage loans.

Notwithstanding the above, the Gestora may, in exceptional circumstances, give the Administrator instructions or prior authorisation to agree with the Mortgagor, on the terms and conditions that it deems appropriate, a novation for the amendment of the Mortgage Loan in question. In any event, the Administrator undertakes to maintain the regularity of the instalments for repayment of principal of the Mortgage Loan and to maintain the same repayment procedure.

In no event will the Administrator, on its own initiative and without a request from the Mortgagor, be able to commence renegotiations of the interest rate capable of leading to a reduction of the interest rate applicable to a Mortgage Loan. Nor will the Administrator in any event increase the maximum limit of the Mortgage Loan existing at the date of the assignment of the First Drawdowns.

The Gestora authorises the Administrator to renegotiate the interest rate applicable to the Mortgage Loans at the Mortgagors' request, subject to the following requirements:

- a) The Administrator will renegotiate the interest rate of the Mortgage Loans to a rate considered a market rate and not different from the rate applied by the Administrator in the renegotiation of loans and credit facilities it grants. For these purposes, market interest rate will be understood to be the interest offered by credit institutions in the Spanish market for loans and credits in an amount and other conditions which are substantially similar to those of the Mortgage Loan.
- b) In no circumstance will the renegotiation of the applicable interest rate result in a change to a floating interest rate or index different from the interest rates or indices used by the Administrator in the mortgage credits and loans it grants.

The date of the final maturity or last repayment of the Mortgage Loans may be postponed, although in no event may the Administrator seek at its own initiative any change in that date that could extend the term. The Administrator must always act in connection with such extension considering the interests of the Issuer. In all events, the new date of final maturity or last repayment may not be later than 30 October 2034, which date falls thirty six (36) months before the Legal Final Maturity of the Issuer.

Nonetheless, if the conditions of the Mortgage Loans are renegotiated pursuant to the foregoing, the following conditions must be met:

- a) Other than by the granting of Drawdowns in Forbearance Period, the frequency of the Mortgage Loan repayments must be maintained or reduced, maintaining the same repayment system.
- b) Expenses incurred on the modification of the Mortgage Loans must be borne by CAIXA CATALUNYA or by the Mortgagor and will in no event be borne by the Issuer.
- c) The total amount of the initial balance of the Mortgage Transfer Certificates whose maturity has been extended must not be more than 10% of the initial balance of the Mortgage Transfer Certificates pooled in the Fund.

In no event may the Administrator seek a modification of the maturity of a Mortgage Loan at its own initiative without a request by the Mortgagor to such effect. The Administrator must act in relation to such modification at all times bearing in mind the interests of the Issuer.

The Gestora, on behalf of the Issuer, may at any time cancel, suspend or modify the authorisation and the requirements for renegotiation by the Administrator set out in this section of the Prospectus. In any event, any renegotiation of Mortgage Loans must be undertaken and decided taking the Issuer's interests into account, and only those to which the Gestora has given its consent will affect the Issuer.

In the event of renegotiation of the Mortgage Loan(s) or of their maturities, the Administrator will timely inform the Gestora, electronically or in writing, for each Mortgage Loan, the conditions resulting from the renegotiation of the Mortgage Loan. The related deeds of novation of the renegotiated Mortgage Loans will be kept in custody by CAIXA CATALUNYA in accordance with the terms of section 3.7.1.5 of this Additional Module.

#### **3.7.1.14 Notification to the Mortgagors**

The Gestora and CAIXA CATALUNYA agree not to notify the respective Mortgagors of the assignment on the Establishment Date.

Nevertheless, CAIXA CATALUNYA, in the Deed of Establishment, shall grant powers as ample as legally necessary to the Gestora so that the latter can give the Mortgagors notice of the assignment at the time it deems this appropriate. In addition, the Gestora shall give immediate certified notice of the assignment to the Mortgagors in the following events:

1. replacement of CAIXA CATALUNYA in the administration of the Credit Rights;
2. insolvency of CAIXA CATALUNYA or, if the Gestora becomes aware of any event that may have bearing on the solvency of CAIXA CATALUNYA; and
3. replacement of CAIXA CATALUNYA as the institution where payments by Mortgagors are deposited.

The Gestora shall inform the Rating Agencies of any notification made pursuant to these requirements.

For the above purposes, CAIXA CATALUNYA undertakes to report to the Gestora, immediately and in all events before twenty-four hours have elapsed, the occurrence of

any event or circumstance that may have effects on the solvency of CAIXA CATALUNYA or any event of insolvency of CAIXA CATALUNYA.

CAIXA CATALUNYA shall bear the expenses of the notification to the Mortgagors, even if notification is made by the Gestora, and undertakes to cooperate with the Gestora in the notifications to the Mortgagors.

#### **3.7.1.15 Service fee**

Although no fee will accrue to CAIXA CATALUNYA for its administration and custody of the Mortgage Loans, if CAIXA CATALUNYA is replaced in the administration of the said Mortgage Loans, the substitute will be entitled to receive a commission that will rank 1<sup>st</sup> in the Order of Priority of Payments of the Issuer.

If the Issuer, through its Gestora, does not pay on a Payment Date all of the fee due because of insufficient liquidity in accordance with the Order of Priority of Payments, the amounts not paid will be aggregated without any penalty to the fee payable on the next payment date and be paid at that time.

In addition, on each Payment Date of the Securitisation Bonds CAIXA CATALUNYA will be entitled to be reimbursed for all exceptional expenses it has incurred, upon prior submission of the appropriate supporting documents to the Gestora, in relation to the administration of the Mortgage Loans, in the proportion corresponding to the First Drawdowns. Such expenses, which will include *inter alia* those occasioned as a result of mortgage foreclosures and, if applicable, of the sale of properties, shall be paid provided that the Issuer has sufficient liquidity in the Treasury Account in accordance with the Order of Priority of Payments.

#### **3.7.1.16 Cancellation of registry entries**

As Administrator, CAIXA CATALUNYA undertakes to perform all acts necessary for carrying out the registry cancellation of the existing mortgages, the related debts for which have already been cancelled in full, ranked senior to the Mortgage Loans.

#### **3.7.2 Description of the functions and responsibilities assumed by the Gestora in the management and legal representation of the Issuer and of the holders of the Securitisation Bonds.**

The Gestora, GESTIÓN DE ACTIVOS TITULIZADOS, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN S.A., is responsible for the administration and legal representation of the Issuer in the terms envisaged in Royal Decree 926/1998, in Law 19/1992 as regards matters not provided for in Royal Decree 926/1998 and insofar as applicable, and the rest of the applicable laws and regulations, as well as in the terms of the Deed of Establishment.

The Gestora shall perform for the Issuer those functions attributed to it in Royal Decree 926/1998.

It also falls to the Gestora, as manager of third party funds, to represent and safeguard the interests of holders of the Securitisation Bonds issued by the Fund and of the rest of the ordinary creditors of the Issuer. Consequently, the Gestora shall subordinate its actions to the defence of these in accordance with provisions established for that purpose from time to time. The Bondholders and other ordinary creditors of the Issuer shall have no right to take legal action against the Gestora of the Issuer except for non-fulfilment of its functions or failure to observe the provisions of the Deed of Establishment and Prospectus.

The Gestora shall bring all circumstances that may be in their interest to the attention of the Bondholders and other ordinary creditors of the Issuer by publishing the appropriate announcements in the terms established in section 4.1.2 of this Additional Module.

The activities pursued by the Gestora in performance of its administrative and legal representation functions for the Issuer, purely for informational purposes and without prejudice to other acts envisaged in this Prospectus, are:

- (i) to exercise the rights relating to the ownership of the Mortgage Transfer Certificates subscribed for by the Issuer and, in general, to carry out such acts of management and ownership sale as may be necessary for proper performance of the administration and the legal representation of the Issuer;
- (ii) to verify that the revenues received by the Issuer correspond to the amounts payable to the Issuer in accordance with the conditions of each Mortgage Transfer Certificate and any other contracts, pursuing such actions in and out of court as may be necessary or advisable for the protection of the rights of the Issuer and of the Bondholders;
- (iii) to verify and monitor the information from the Administrator on the First Drawdowns both with regard to the payments of the ordinary instalments and with regard to prepayments of principal, payments received in relation to overdue instalments and the status and control of defaults;
- (iv) to calculate the Available Funds and the transfers of funds which will have to be made once they are applied in accordance with the relevant order of priority, ordering transfers between asset and liability accounts and giving the relevant payment instructions, including those relating to the servicing of the Securitisation Bonds;
- (v) to calculate and settle all sums receivable or payable in respect of interest and commission for the various asset and liability accounts, and all commissions payable for the various financial services arranged and the amount which corresponds to each Series of Securitisation Bonds for repayment of principal and payment of interest;
- (vi) to perform the calculation duties stipulated in the Prospectus and in the diverse contracts relating to the establishment of the Issuer;
- (vii) to closely monitor the acts of the Administrator for the recovery of payments past due, giving instructions, where appropriate, to initiate enforcement proceedings and, where applicable, on the position to be adopted in the auction of properties. To pursue the appropriate proceedings where the circumstances so require;
- (viii) to keep the accounting records of the Issuer duly separate from those of the Gestora, to render accounts and to perform the duties under tax laws or other legal duties that rest with the Issuer;
- (ix) to make available to the holders of the Securitisation Bonds issued by the Fund and to the CNMV all information and notices required under the relevant legislation and particularly those set out in this Prospectus;
- (x) in order to allow the Issuer to operate on the terms set out in the Deed of Establishment, in this Prospectus and in the regulations in force from time to time, to extend or amend all contracts entered into on behalf of the Issuer, to substitute any entity providing services to the Issuer, including CAIXA CATALUNYA in its duties as Administrator and, if necessary, to enter into additional contracts, all subject to the relevant legislation, to the prior authorisation, where necessary, of the CNMV and to the relevant notification to the Rating Agencies, and provided in all cases that such actions are not prejudicial to the interests of the Bondholders;
- (xi) to appoint and substitute, where appropriate, the auditor of the annual accounts of the Issuer, with the prior approval, if necessary, of the CNMV;
- (xii) to prepare and submit to the CNMV and the competent authorities, all the documents and information which must be submitted according to the relevant legislation, the Deed of Establishment and this Prospectus, or which are requested from it, and to prepare and make available to the Rating Agencies the information which they reasonably request;

- (xiii) to adopt the necessary decisions in relation to the liquidation and termination of the Issuer, including the decision on early redemption of the issue of Securitisation Bonds and the liquidation and termination of the Issuer, in accordance with the Deed of Establishment and this Prospectus; and
- (xiv) to report the issue and subscription of the Mortgage Transfer Certificates to the Mortgagors of the First Drawdowns in the events provided for in the Deed of Establishment and this Prospectus.

#### **Substitution of the Gestora**

The Gestora will be substituted in the administration and legal representation of the Issuer in accordance with provisions of the regulations established in this respect. In any event, the substitution of the Gestora will be carried out in accordance with the procedure detailed below, where such proceedings are not contrary to the applicable regulations:

- (i) Where it considers it appropriate, the Gestora may resign from its role and voluntarily request its replacement in writing to the CNMV, remitting a copy of that notice to CAIXA CATALUNYA as Administrator of the Mortgage Loans and custodian of the Mortgage Transfer Certificates. Such notice will be accompanied by notice of the new management company duly authorised and registered with the CNMV in which the new management company accepts this function and requests the relevant authorisation. The resignation of the Gestora and the appointment of a new entity as management company of the Issuer will require the approval of the CNMV. In no event will the Gestora discontinue exercising its functions until all requirements and formalities have been fulfilled so that its successor can fully assume its functions in relation to the Issuer. Nor may the Gestora resign from its functions if the rating assigned to any Series of the Securitisation Bonds issued by the Fund would decrease as a result of its substitution. All expenses arising as a result of such substitution will be paid by the Gestora or, in default thereof, by the new management company;
- (ii) In the event the Gestora is affected by any of the grounds for winding-up provided in article 260.1 of the Spanish Public Limited Companies Act (Ley de Sociedades Anónimas), the Gestora will be substituted. The occurrence of any such event will be notified by the Gestora to the CNMV. In this event, the Gestora will be obliged to carry out the procedure set out in subparagraph (i) above prior to its winding-up;
- (iii) In the event that the Gestora is declared subject to insolvency proceedings or its authorisation is revoked, a new management company must be appointed to replace it. The substitution will take effect within four (4) months from the date of the event requiring the substitution. If the Gestora is unable to find another management company prepared to take over the administration and legal representation of the Issuer or if the CNMV does not consider the proposal suitable, the CNMV may confer the management responsibility upon another management company prepared to take over such responsibility. If after four months from the event leading to the substitution, neither the Gestora nor the CNMV have appointed a new management company, the early liquidation of the Issuer will be carried out and the Securitisation Bonds will be redeemed in accordance with section 4.4 of the Registration Document;
- (iv) The substitution of the Gestora and appointment of the new management company approved by the CNMV, in accordance with the above provisions, shall be communicated to the Rating Agencies and published, within fifteen (15) days, in the Daily Gazette (*Boletín Diario*) of the AIAF Market. The expenses caused by the substitution will be for the account of the outgoing Gestora and shall not be passed on to the Issuer.

The Gestora will make available all public and private documents which are necessary to proceed with its substitution by another management company in accordance with the procedure stipulated in the foregoing paragraphs of this section. The new management company will be subrogated to the rights and obligations of Gestora in relation to the Deed

of Establishment and this Prospectus. The Gestora shall also deliver to the new management company all documents and accounting and computer records in its possession relating to the Issuer.

### **Remuneration of the Gestora for the performance of its functions**

In consideration for the functions to be performed by the Gestora, the Issuer will pay to the Gestora an administration fee of 0.04% per annum, with a minimum payment of 9,000 euro per quarter. The fee will accrue on the actual number of days elapsed in each Interest Period, and will be payable quarterly on each Payment Date of the Securitisation Bonds, calculated on the sum of the Outstanding Principal Balances of the Securitisation Bonds on the First Day of the Determination Period prior to the relevant Payment Date. The fee accrued from the date of the establishment of the Issuer until the first Payment Date of the Securitisation Bonds will be adjusted pro rata to the days elapsed between both dates, calculated on the total amount of the Securitisation Bonds issued.

The calculation of the fee payable on any specific Payment Date will be carried out in accordance with the following formula:

$$C = B \times \frac{(0.04)}{100} \times \frac{d}{360}$$

where:

*C = Fee to be paid on a given Payment Date.*

*B = Sum of the Outstanding Principal Balance of all the Series of Securitisation Bonds on the first day of the Determination Period prior to the Payment Date.*

*d = Number of days elapsed during the relevant Interest Period.*

If on a Payment Date the Issuer does not have sufficient liquidity in the Treasury Account to pay the required fee, the amount due will accrue interest equal to that of the Series A Securitisation Bonds, which will be paid on the following Payment Date of the Securitisation Bonds in accordance with the Order of Priority of Payments.

### **3.8 Name, address and brief description of any counterparty for swap, credit, liquidity or account operations.**

CAIXA CATALUNYA is acting as counterparty in the Interest Rate Swap Agreements, described in section 3.4.7.1 of this Additional Module above.

The Treasury Account and the Repayment Account of the Issuer described in sections 3.4.4.1 and 3.4.4.2, respectively, of this Additional Module are initially held in CAIXA CATALUNYA. CAIXA CATALUNYA is also the entity that will make the Loan for Initial Expenses described in section 3.4.3 of this Additional Module.

The information on CAIXA CATALUNYA is set out in section 3.5 of the Registration Document, and a description of the activities of CAIXA CATALUNYA is given in section 3.5 of this Additional Module.

## **4 POST-ISSUANCE REPORTING.**

### **4.1 Indication as to any intention to provide post-issuance information regarding securities to be admitted to trading and the performance of the underlying collateral. Where the issuer has indicated that it intends to report such information, specify what information will be reported, where such information can be obtained, and the frequency with which such information will be reported.**

The information proposed to be provided after issuance is described below.

#### **4.1.1 Formulation, verification and approval of annual financial statements and other accounting documentation of the Issuer.**



The annual financial statements of the Issuer will be subject to annual examination and review by auditors.

The Gestora will submit to the CNMV the annual financial statements of the Issuer, together with the related audit report and management report of the Issuer, within four (4) months after the end of the Issuer's financial year, which shall coincide with the calendar year (that is, prior to 30 April of each year).

The Gestora will appoint, for minimum terms of three (3) years, the Auditor that will, during that time, perform the audit of the Issuer's annual financial statements, and report the appointment to the CNMV.

#### **4.1.2 Obligations and periods envisaged for making periodic information on the financial and economic situation of the Issuer available to the public and the CNMV.**

The Gestora, in its management and administration tasks for the Issuer, undertakes to submit to the CNMV on a quarterly basis as diligently as possible the information described below (with the exception of the contents of subsection e), which will be submitted annually) in relation to the Securitisation Bonds, the behaviour of the Mortgage Transfer Certificates, prepayments and the economic-financial situation of the Issuer.

The Gestora will maintain available to the public all required documents and information in accordance with the Deed of Establishment and this Prospectus.

##### **a) In relation to each Series of the Securitisation Bonds:**

1. Outstanding Principal Balance and percentages that each represent with respect to the initial nominal amount of each Series.
2. Interest accrued and paid.
3. Interest accrued and not paid.
4. Redemption accrued and paid.
5. Estimated average life of the Securitisation Bonds of each Series in the event of maintenance of the Prepayment Rate of the Mortgage Loans, as determined in section d) below.

##### **b) In relation to the Mortgage Transfer Certificates:**

1. Outstanding Balance of the Mortgage Portfolio.
2. Interest accrued and interest received.
3. Aggregate amount of the delinquent payments in respect of the First Drawdowns as at the date of the report.
4. In the Outstanding Balance of the Mortgage Portfolio, a breakdown should be given of the outstanding balance of First Drawdowns backing the Mortgage Portfolio that are in the Forbearance Period.

##### **c) In relation to the economic-financial situation of the Issuer:**

Report on the source and subsequent application of the Available Funds according to the Order of Priority of Payments contained in section 3.4.6 of the Additional Module.

##### **d) In relation to the prepayment of the First Drawdowns:**

List demonstrating the actual Average Prepayment Rate for the First Drawdowns.

**e) In relation to the Annual Financial Statements of the Issuer:**

Balance sheet, income statement, notes thereto, management report and audit report within four (4) months after the close of each year.

**4.1.3 Other ordinary and extraordinary disclosure obligations and material disclosure requirements.**

The Gestora, for the strict fulfilment of the conditions of the issue, undertakes to make the notifications detailed in the sections that follow, with the frequency specified for each.

The Gestora, for and on behalf of the Issuer, undertakes to make the notifications described below:

**4.1.3.1 Periodic ordinary notices**

(i) In the period between the Interest Determination Time and no later than three (3) Business Days following each Payment Date, the Issuer will communicate to the Bondholders the applicable nominal rates of interest determined for each of the Series of Securitisation Bonds for the following Interest Period according to the procedure contained in section 4.8 of the Securities Note.

(ii) In accordance with sections 4.9 and 4.9 de la Securities Note, quarterly, and at least one (1) calendar day prior to each Payment Date, communicate to the Bondholders the interest payable in respect of each of the Series of Securitisation Bonds and, as applicable, the repayment of the same, as the case may have it, and, in addition:

(a) the actual prepayment rates of the First Drawdowns as at the Determination Date prior to the Payment Date;

(b) the estimated average residual life of the Securitisation Bonds, on the assumption that the said actual prepayment rate is maintained; and

(c) the Outstanding Principal Balance of the Securitisation Bonds after the repayment due on each Payment Date with respect to each Series of Bond, and the proportion which such Outstanding Principal Balance represents over the initial nominal amount of each Securitisation Bond.

(iii) Where applicable, the Bondholders shall likewise be notified of the interest accrued on the Securitisation Bonds and not paid due to insufficient Available Funds, in accordance with the Order of Priority of Payments.

The above notices will be given in accordance with sub-paragraph (c) below. The above information will be communicated to Iberclear, CNMV and the AIAF Market no later than two (2) Business Days prior to each Payment Date.

**4.1.3.2 Extraordinary notices**

(i) In relation to the establishment of the Issuer and the issue of the Securitisation Bonds, and once the Deed of Establishment is executed, the Gestora will notify, in accordance with the procedure set out in section 4.1.3.2-(iii) below, the establishment of the Issuer and the issue of the Securitisation Bonds, as well as the nominal interest rates of each of the Series of Securitisation Bonds fixed for the first Interest Period, which will run from the Closing Date to 17 April 2006, all in accordance with the terms of this Prospectus.

(ii) Others.

The Issuer, through its Gestora, will also notify the Bondholders and the Rating Agencies of any relevant event which may occur in relation to the Mortgage

Transfer Certificates, the Securitisation Bonds, the Issuer or the Gestora itself capable of having a material significant impact on the trading of the Securitisation Bonds and, in general, of any material changes to the assets and liabilities of the Issuer. The Gestora will likewise notify the Bondholders and the Rating Agencies of any decision to redeem the Securitisation Bonds early for any of the causes set out in this Prospectus; such notice will be given in accordance with subsection 4.1.3.2-(iii) at least thirty (30) days in advance.

(iii) Procedure

The notices to the holders of the Securitisation Bonds which must be given by the Gestora according to the above will be issued in the following manner:

- a) Periodic ordinary notices will be published in the Daily Gazette of the AIAF Fixed Income Market or such other publication as may replace it in the future or another of similar characteristics, or in a daily newspaper with wide circulation in Spain, be it a general news or a financial daily.
- b) The notice referred to in subsection 4.1.3.2-(i) above will be sent in writing by the Gestora to the Underwriters and Distributors for them to so notify the investors interested in subscribing for the Securitisation Bonds. This will also be notified by the Gestora in writing to the CNMV, to the Paying Agent and to Iberclear. Lastly, it will be published in the Daily Gazette of the AIAF Fixed Income Market or such other publication as may replace it in future or another with similar characteristics.
- c) The notification referred to in subsection 4.1.3.2 (ii) will be given by publishing the relevant notice in a daily newspaper of wide circulation in Spain, be it a general news or a financial daily.

Such notices will be deemed to have been given to the Bondholders on the date of such publication.

The notices to the Rating Agencies to be given by the Gestora according to the foregoing paragraphs may be issued in writing or given by telephone.

(iv) Reporting to the CNMV

The Gestora will immediately notify the CNMV of any notice, of a periodic ordinary nature or extraordinary nature, which is published in accordance with the above sub-sections and any other information which, independently of the above, is requested of it.

This Prospectus has been stamped on all of its pages and signed in Barcelona, on behalf of the issuer:

Mr. Carles Fruns Moncunill  
**General Manager**

## GLOSSARY OF TERMS

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### TERMS

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- “Administrator”**, means the issuer of the Mortgage Transfer Certificates, CAIXA CATALUNYA.
- “Rating Agencies”** means Moody’s Investors Service España, S.A, Fitch Ratings España, S.A.U., and Standard & Poor’s España, S.A.
- “Paying Agent”** means the bank responsible for the financial servicing of the Securitisation Bonds. The Paying Agent will be CAIXA CATALUNYA.
- “BARCLAYS BANK”**, means the entity BARCLAYS BANK PLC
- “Securitisation Bonds”**, means the Securitisation Bonds of Series A1, the Securitisation Bonds of Series A2a, the Securitisation Bonds of Series A2b, the Securitisation Bonds of Series B, the Securitisation Bonds of Series C, the Securitisation Bonds of Series D and the Securitisation Bonds of Series E, issued against the Fund.
- “Class A Securitisation Bonds”**, means jointly the Securitisation Bonds of Series A1 and the Securitisation Bonds of Series A2.
- “Series A1 Securitisation Bonds” or “A1 Securitisation Bonds”**, means the Securitisation Bonds of Series A1 issued against the Fund for a total nominal amount of 200,000,000 euro comprising 2,000 Securitisation Bonds with a nominal value of one hundred thousand (100,000) euro each.
- “Series A2a Securitisation Bonds” or “A2a Securitisation Bonds”**, means the Securitisation Bonds of Series A2a issued against the Fund for a total nominal amount of 500,000,000 euro comprising 5,000 Securitisation Bonds with a nominal value of one hundred thousand (100,000) euro each.
- “Series A2b Securitisation Bonds” or “A2b Securitisation Bonds”**, means the Securitisation Bonds of Series A2b issued against the Fund for a total nominal amount of 236,200,000 euro comprising 2,362 Securitisation Bonds with a nominal value of one hundred thousand (100,000) euro each.
- “Series B Securitisation Bonds” or “B Securitisation Bonds”**, means the Securitisation Bonds of Series B issued against the Fund for a total nominal amount of 22,000,000 euro comprising 220 Securitisation Bonds with a nominal value of one hundred thousand (100,000) euro each.
- “Series C Securitisation Bonds” or “C Securitisation Bonds”**, means the Securitisation Bonds of Series C issued against the Fund for a total nominal amount of 18,300,000 euro comprising 183 Securitisation Bonds with a nominal value of one hundred thousand (100,000) euro each.
- “Series D Securitisation Bonds” or “D Securitisation Bonds”**, means the Securitisation Bonds of Series D issued against the Fund for a total nominal amount of 23,500,000 euro comprising 235 Securitisation Bonds with a nominal value of one hundred thousand (100,000) euro each.
- “Series E Securitisation Bonds” or “E Securitisation Bonds”**, means the Securitisation Bonds of Series E issued against the Fund for a total nominal amount of 16,000,000 euro comprising 160 Securitisation Bonds with a nominal value of one hundred thousand (100,000) euro each.
- “CAIXA CATALUNYA”**, means Caixa d’Estalvis de Catalunya.
- “IXIS CIB”**, means the entity [IXIS CIB].
- “Net Amount”**, means the positive (or negative) difference between the amount payable by Party A of the Interest Rate Swap Agreement and the amount payable by Party B of the Interest Rate Swap Agreement, by virtue of the provisions of section 3.4.7.1 of the Additional Module.
- “Mortgage Transfer Certificates”** means the mortgage transfer certificates issued by CAIXA CATALUNYA under article 18 of Law 44/2002, and subscribed by the Issuer.
- “CET”** means “Central European Time”.
- “CNMV”** means the Spanish securities exchange regulator, Comisión Nacional del Mercado de Valores.
- “Conditions for Pro Rata Repayment”** means the conditions set out in section 0 for the pro rata repayment of the Securitisation Bonds of Series A and/or B and/or C and/or D.
- “Paying Agency Agreement for the Securitisation Bonds”** means the paying agency contract for the Securitisation Bonds entered into by the Gestora, for and on behalf of the Issuer, and CAIXA CATALUNYA, as Paying Agent.
- “Underwriting and Placement Agreement for the Securitisation Bond Issue”** means the contract for the underwriting and placement of the Securitisation Bond Issue entered into by the Gestora, for and on behalf of the Issuer, with CAIXA CATALUNYA, DEUTSCHE BANK and IXIS CIB as Lead Managers and

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## TERMS

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Underwriters and Distributors, and with BARCLAYS BANK, LEHMAN BROTHERS and MERRILL LYNCH as Underwriters and Distributors.

**“Guaranteed Interest Reinvestment Agreement for the Repayment Account”**, means the contract for the reinvestment of the Repayment Account at a guaranteed interest rate entered into by the Gestora, for and on behalf of the Issuer, and CAIXA CATALUNYA.

**“Guaranteed Interest Reinvestment Agreement for the Treasury Account”**, means the contract for the reinvestment of the Treasury Account at a guaranteed interest rate entered into by the Gestora, for and on behalf of the Issuer, and CAIXA CATALUNYA.

**“Interest Rate Swap Agreement”** o **“Swap Agreement”**, means the floating interest rate swap contract, under the model of the International Swap Dealers Association (**“ISDA”**) Master Agreement- Multicurrency Cross Border of 2002, entered into by the Gestora, for and on behalf of the Issuer, and CAIXA CATALUNYA.

**“Loan Agreement for Initial Expenses”** means the commercial loan agreement governing the Loan for Initial Expenses entered into by the Gestora, for and on behalf of the Issuer, and CAIXA CATALUNYA.

**“Mortgage Loans”**, means the mortgage loans, partly owned via the issue of the Mortgage Transfer Certificates, corresponding to loans with mortgage guarantee granted by CAIXA CATALUNYA to private individuals resident in Spain for the acquisition of first residences.

**“Repayment Account”**, means the account in Euros opened with CAIXA CATALUNYA in the name of the Issuer in which will be deposited the amounts corresponding to the Capital Repayment Fund to repay Series A2a and A2b bonds once all Series A1 bonds have been repaid or in the event that Class A bonds are repaid on a pro rata basis, in accordance with the provisions of section 4.9.2.2 (iii) of the Securities Note. From the Payment Date of January 15, 2007, and once Series A1 Bonds have been fully repaid, the Repayment Fund shall be allocated to the repayment of the principal of Series A2a and A2b Bonds, in accordance with their repayment rules.

**“Cash Surplus Account”**, means the account opened in accordance with the provisions of sections 3.4.4.1 and 3.4.4.2 of the Additional Module, to which the balance of the Treasury Account and of the Repayment Account in excess of 20% of the Balance of Outstanding Principal of the Securitisation Bonds will be transferred.

**“Treasury Account”**, means the account in Euros opened with CAIXA CATALUNYA in the name of the Issuer, through which all the Issuer’s deposits and payments will be made.

**“Deloitte”**, means Deloitte España, S.L.

**“Mortgagors” (and individually “Mortgagor”)**, means the private individuals resident in Spain who are accredited in the Mortgage Loans originated by CAIXA CATALUNYA.

**“DEUTSCHE BANK”** means DEUTSCHE BANK AG.

**“Business Day”** means all days except Saturdays, Sundays, public holidays in Madrid or non-operating days in the TARGET (Trans European Automated Real-Time Gross Settlement Express Transfer System) calendar.

**“First Drawdowns”**, means the first or initial drawdowns of the Mortgage Loans.

**“First Drawdowns in Forbearance Period”** means the Outstanding Balance of the Mortgage Transfer Certificates representing First Drawdowns in Forbearance Period, in accordance with the provisions of section 0 of the Additional Module to this Prospectus.

**“Distribution of the Capital Repayment Fund”** shall mean the rules for the distribution of the Capital Repayment Fund established in section 0 of the Securities Note.

**“Provision for the Capital Repayment Fund”**, means, on a Payment Date, the positive difference between: (i) the sum of the Outstanding Principal Balance of the Securitisation Bonds of Series A1, A2a, A2b, B, C, and D on the immediately preceding Determination Date, and (ii) the sum of the Outstanding Balance of the Mortgage Portfolio, both on the immediately preceding Determination Date.

**“Securitisation Bonds Issue”**, means the Securitisation Bonds issued against the Issuer with a nominal value of 1,016,000,000 euro, comprised of 10,160 Securitisation Bonds divided into seven Series (Series A1, Series A2a, Series A2b, Series B, Series C, Series D and Series E).

**“Issuing Entity”**, means CAIXA CATALUNYA, the issuer of the Mortgage Transfer Certificates.

**“Underwriters and Placers”**, means BARCLAYS BANK, CAIXA CATALUNYA, DEUTSCHE BANK,

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## TERMS

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IXIS CIB, LEHMAN BROTHERS and MERRILL LYNCH.

**"Lead Managers"**, means CAIXA CATALUNYA, DEUTSCHE BANK, and IXIS CIB.

**"Deed" or "Deed of Establishment"** means the public deed of establishment of the Issuer, the issue and subscription of Mortgage Transfer Certificates, and the Securitisation Bond Issue.

**"Euribor"** means the Euro Interbank Offered Rate, which is the rate offered on interbank deposits in euros calculated as the daily average of the rates quoted for fifteen maturity terms by a panel composed by 57 banks from amongst the most active in the Euro zone. The rate is quoted on the basis of actual days to maturity and on the basis of a 360-day year, and is fixed at 11:00 a.m. (CET), expressed to three decimal points.

**"Closing Date"** means **November 30**, the day on which the subscription of the Securitisation Bonds and the nominal value of the Mortgage Transfer Certificates subscribed must be paid.

**"Interest Rate Determination Date"** means the second Business Day prior to each Payment Date.

**"Payment Date"** means January 15, April 15, July 15 and October 15 of each year or, if any of these days is not a Business Day, the following Business Day. The first Payment Date will take place on April 17, 2006.

**"Final Repayment Date"** means the date of final redemption of the Bonds, that is, July 15, 2038 or, if this falls on a non-Business Day, the next following Business Day.

**"Determination Dates"**, means the fifth business day prior to each Payment Date.

**"Fitch"** means both Fitch Ratings España, S.A., and Fitch Ratings Limited, the parent company of the group to which Fitch Ratings España, S.A. belongs.

**"Issuer"** means HIPOCAT 9 FONDO DE TITULIZACIÓN DE ACTIVOS.

**"Reserve Fund"** means the Initial Reserve Fund provided for on the Closing Date against Series E Securitisation Bonds and the amount subsequently provided for up to the amount of the Required Reserve Fund, in accordance with the provisions of section 3.4.2.1 of the Additional Module.

**"Initial Reserve Fund"**, means the initial amount of the Reserve Fund provided for on the Closing Date, in accordance with the provisions of section 3.4.2.1 of the Additional Module.

**"Required Reserve Fund"**, means the amount of the Required Reserve Fund on each Payment Date, in accordance with the provisions of section 3.4.2.1 of the Additional Module.

**"Maximum Reserve Fund"**, means the amount of the Maximum Reserve Fund on each Payment Date, in accordance with the provisions of section 3.4.2.1 of the Additional Module.

**"Iberclear"** means Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.

**"Amount of Principal"**, means the amounts received for the repayment of principal of the Mortgage Transfer Certificates in the preceding Determination Period.

**"Audit Report"**, audit report prepared by Deloitte on a selection of the portfolio of mortgage loans granted by CAIXA CATALUNYA from which those which form the basis for the Mortgage Transfer Certificate issue are extracted, and which is included as Appendix 4 to this Prospectus.

**"ISDA"**, means International Swap Dealers Association.

**"IXIS CIB"**, means IXIS CORPORATE AND INVESTMENT BANK.

**"LEHMAN BROTHERS"**, means Lehman Brothers International (Europe).

**"Securities Market Law"** means the Securities Market Law 24/1988 of 28 July 1988, as amended by Law 37/1998 of 16 November 1998 and by Law 44/2002 of 24 November 2002, and Royal Decree Law 5/2005 of 11 March 2005, amongst other amendments.

**"Law 2/1981"** means the Mortgage Market Regulatory Law 2/1981 of 25 March 1981.

**"Law 2/1994"** means Law 2/1994 of 30 March 1994 on the subrogation and amendment of Mortgage Loans.

**"Law 3/1994"** means Law 3/1994 of 14 April 1993 which adapted Spanish legislation on credit institutions to the Second Directive on Banking Co-ordination and introduced other changes in respect of the financial

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system.

“**Law 19/1992**” means Law 19/1992 of 7 July 1992, regulating Real Estate Investment Funds and Companies and Mortgage Backed Securitisation Funds.

“**Law 44/2002**” means Law 44/2002, of 22 November 2002 on Measures to Reform the Financial System.

“**Early Liquidation of the Issuer**” means the liquidation of the Issuer and accordingly the early redemption of the Securitisation Bond Issue on a date prior to the Closing Date, under the circumstances and in accordance with the procedure established in section 4.4.2 of the Registration Document.

“**AIAF Market**”, means AIAF Fixed Income Market.

“**MERRILL LYNCH**” means MERRILL LYNCH INTERNATIONAL

“**Interest Rate Determination Time**”, means the second Business Day prior to each Payment Date, at 11:00 horas C.E.T. on that day.

“**Moody's**”, means both Moody's Investors Service España, S.A., and Moody's Investors Service Limited, the parent company of the group to which Moody's Investors Service España, S.A belongs.

“**Order of Priority of Payments**”, means the order of priority for the Issuer's payment or withholding obligations in respect of the allocation, on each Payment Date, of the Available Funds, in accordance with section 3.4.6.1 .

“**Liquidation Order of Priority**”, means the order of priority for the Issuer's payment or withholding obligations in respect of the allocation, in the event of the liquidation of the Issuer, of the Available Funds, in accordance with section 3.4.6.2 of the Additional Module.

“**Determination Periods**”, means the consecutive periods between the Determination Dates, including in each period the first Determination Date and excluding the final Determination Date.

“**Interest Period**” means the actual days between each two consecutive Payment Dates, including in each Interest Period the Initial Payment Date and excluding the Final Payment Date. The first Interest Period will begin on the Closing Date, inclusive, and end on the first Payment Date, exclusive.

“**Forbearance Periods**”, means the periods of grace for the repayment of principal and interest on the First Drawdowns that the Mortgagors may request in accordance with the provisions of section 2.2 of the Additional Module.

“**Subscription Period**” means the period between 11:00 hours (CET) on November 28, 2005 and 12:00 hours (CET) on the same day.

“**Loan for Initial Expenses**” means the loan granted by CAIXA CATALUNYA to the Issuer, in accordance with the terms of the Loan Agreement for Initial Expenses.

“**Ratings**”, means the ratings allocated to the Securitisation Bonds by Rating Agencies.

“**Delinquency Ratio**” means the ratio between (i) the Outstanding Balance of the Mortgage Transfer Certificates with a delinquency of more than ninety (90) days (excluding the Outstanding Balance of the Mortgage Transfer Certificates in arrears for more than 18 months and those the mortgages whereof have been foreclosed) and (ii) the Outstanding Balance of the Mortgage Portfolio.

“**Royal Decree 116/1992**” means Royal Decree 116/1992 of 14 February 1992 on the representation of securities by book entries and the clearing and settlement of stock market transactions.

“**Royal Decree 1310/2005**” means the Royal Decree 1310/2005 of November 4, by means of which the Securities Market Law is developed in relation to the admission to listing and trading in official secondary markets, of public offerings and the prospectus required to such effects.

“**Royal Decree 685/1982**” means Royal Decree 685/1982 of 17 March 1982 implementing certain aspects of Law 2/1981 of 25 March 1981 on the regulation of the mortgage market, and Royal Decree 1289/1991 of 2 August 1991 amending certain articles of the former.

“**Royal Decree 926/1998**” means Royal Decree 926/1998 of 14 May 1998 regulating asset securitisation funds and management companies of asset securitisation funds.

“**Royal Decree Law 5/2005**” means Royal Decree-Law 5/2005 of 11 March 2005 on urgent reforms to promote productivity and improve public sector procurement.

“**Available Funds**”, means the sum on each Payment Date of: (i) Amounts of Principal, (ii) the ordinary and

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default interest received from the Mortgage Transfer Certificates during each preceding Determination Period, (iii) the income received during each preceding Determination Period from the reinvestment of the Reserve Fund, according to the provisions of section 3.4.2.1 of the Additional Module, as well as from other amounts deposited in the Treasury Account and in the Repayment Account, (iv) the Reserve Fund, (v) any other amounts received by the Issuer, including those resulting from its share in the sale or operation of property adjudicated to it, (vi) the Net Swap Amounts received under the Swap Agreement or, in case of default by CAIXA CATALUNYA, amounts deposited by CAIXA CATALUNYA in an account open for the Issuer or the termination payment of the Swap.

“**Regulation 809/2004**” means EC Regulation 809/2004 of April 29, 2004.

“**Fixed Remuneration**”, means the fixed remuneration on the Loan for Initial Expenses established in section 3.4.3.1 of the Additional Module.

“**Variable Remuneration**”, means the variable remuneration on the Loan for Initial Expenses established in section 3.4.3.1 of the Additional Module.

“**Cumulative Balance of Defaulted Mortgage Transfer Certificates**”, means the Cumulative Balance of the Mortgage Transfer Certificates in arrears for more than eighteen (18) months or in enforcement of the mortgage security (if this enforcement process occurs provisionally before eighteen (18) months from the commencement of delinquency).

The “**Outstanding Principal Balance of the Securitisation Bonds**” is the sum of the outstanding balances of all Series or, in connection with each Series, the outstanding balance of the Securitisation Bonds in that Series (i.e. the principal amount pending repayment on the Securitisation Bonds of said Series).

“**Notional Balance of the Mortgage Transfer Certificates**” means the daily average for the Determination Period which is ending of the Outstanding Balance of the Mortgage Portfolio, where there is no delinquency of more than three (3) months and excluding the First Drawdowns in the Forbearance Period.

“**Outstanding Balance of the Mortgage Portfolio**” means the total of the outstanding unmatured principal amount and the principal amount matured and unpaid of each of the Mortgage Transfer Certificates, minus the total amount of principal debited of First Drawdowns in arrears for more than eighteen (18) months or in enforcement of the mortgage security (if this enforcement process occurs provisionally before eighteen (18) months from the commencement of delinquency).

“**Outstanding Balance of the Mortgage Transfer Certificates**” means the total of the outstanding unmatured principal amount and the principal amount matured and unpaid of each of the Mortgage Transfer Certificates.

“**Series A1**” means the Securitisation Bonds of Series A1 issued against the Issuer.

“**Series A2a**” means the Securitisation Bonds of Series A2a issued against the Issuer.

“**Series A2b**” means the Securitisation Bonds of Series A2b issued against the Issuer.

“**Series B**” means the Securitisation Bonds of Series B issued against the Issuer.

“**Series C**” means the Securitisation Bonds of Series C issued against the Issuer.

“**Series D**” means the Securitisation Bonds of Series D issued against the Issuer.

“**Series E**” means the Securitisation Bonds of Series E issued against the Issuer.

“**Services**”, means the services of management and custody of the Mortgage Loans described in section 3.7.1 of the Additional Module.

“**Gestora**”, means GESTIÓN DE ACTIVOS TITULIZADOS, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A..

“**S&P**”, means Standard & Poor’s España, S.A.

“**CPR**” or “**Constant Annual Prepayment Rate**” means the constant annual rate of early repayment or prepayment used for estimating the average lives and durations of the Securitisation Bonds in this Prospectus.

“**Reference Interest Rate**”, means the reference interest rate of the Securitisation Bonds in accordance with section 4.8 of the Securities Note.

“**Nominal Interest Rate**”, means the nominal interest rate of the Securitisation Bonds in accordance with section 4.8 of the Securities Note.



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**“IRR”** means the internal rate of return within the meaning of section 4.10 of the Securities Note.