

# HIPOCAT 11, FONDO DE TITULIZACIÓN DE ACTIVOS

REGISTRATION DOCUMENT AND SECURITIES NOTE  
MORTGAGE-BACKED SECURITIES

**1,628,000,000 Euros**

Series A1	200,000,000 euros	AAA/ Aaa/ AAA
Series A2	1,083,000,000 euros	AAA/ Aaa/ AAA
Series A3	200,000,000 euros	AAA/ Aaa/ AAA
Series B	52,800,000 euros	A+/ Aa2/ A
Series C	64,000,000 euros	BBB/ Baa2/ BBB
Series D	28,000,000 euros	CCC/Caa3/CCC-

**backed by mortgage transfer certificates issued by**

**CAIXA CATALUNYA** 

Fund designed and structured by

GESTIÓN DE ACTIVOS TITULIZADOS   
Grupo CAIXA CATALUNYA

**JPMorgan** 

**Paying Agent**

**CAIXA CATALUNYA** 

**Lead Managers and Underwriters**

**CAIXA CATALUNYA** 

**JPMorgan** 

 **NATIXIS**

 **UBS** Investment Bank

**Underwriters**

**CAIXA CATALUNYA  
IXIS CORPORATE &  
INVESTMENT BANK**

**JPMorgan  
UBS INVESTMENT BANK**

**Securitisation Fund created and managed by**

GESTIÓN DE ACTIVOS TITULIZADOS   
Grupo CAIXA CATALUNYA

Prospectus registered in the registers of the CNMV on 6 March 2007

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The present document constitutes a prospectus (the “**Prospectus**”) registered with the Comisión Nacional del Mercado de Valores (Spanish Securities Markets Commission; hereinafter, “**CNMV**”), 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 as worded in the prevailing version (“**Regulation 809/2004**”), and comprises:

- 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) a registration document, prepared in accordance with Annex VII of Regulation 809/2004 (“**Registration Document**”);
- 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 Building Block**”); and
- e) a glossary of terms (the “**Glossary of Terms**”).

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## **RISK FACTORS**

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

#### **1.1 Nature of the Issuer and obligations of the Managing Company**

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 "Managing Company"). The Issuer will only meet its financial liabilities to its creditors with its capital.

The Managing Company 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 Managing Company.

#### **1.2 Mandatory substitution of the Managing Company**

In accordance with article 19 of Royal Decree 926/1998, if bankruptcy proceedings are declared for the Managing Company, 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 Managing Company, of the Seller and of other entities**

Insolvency proceedings for any of the parties involved (whether CAIXA CATALUNYA, the Managing Company 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*; hereinafter, the "Insolvency Law").

Thus, in the event that insolvency proceedings are brought for the Managing Company 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 Managing Company is subject to insolvency proceedings, the assets belonging to the Issuer held by the Managing Company, 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, through the new management company or through the administrators, if applicable. 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 Managing Company (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 Insolvency Law).

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

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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, the Issuer, acting through the Managing Company, 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 Managing Company, will have the right to obtain from CAIXA CATALUNYA the amounts resulting from the Mortgage Transfer Certificates, given that those sums shall be considered property of the Issuer, and will therefore be transferred to 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 (Treasury Account), 3.4.5 (Collection by the Issuer of payments relating to the securitised assets) and 3.7.1.6 (Collections management) of the Additional Building Block.

#### **1.4 Limitation of action against the Managing Company.**

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

#### **1.5 Breach of contracts by third parties**

The Issuer has entered into contracts with third parties for the provision of certain services in relation to the operations of the Issuer and to the Securitisation Bonds. This includes, the Guaranteed Interest Reinvestment Agreement for the Treasury Account, the Loan Agreement for Initial Expenses, the contracts for Mortgage Loan Administration services and the Mortgage Transfer Certificates Deposit, the Paying Agency for the Securitisation Bonds, the Underwriting and Placement Agreement for the Securitisation Bond Issue and the Interest Rate Swap Agreement.

The Bondholders may see their investment harmed if any of the counterparties fails to fulfil the obligations undertaken under any of the above contracts.

## **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.

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## **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 debtors under the Mortgage Loans (“**Debtors**” or “**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.

## **2.5 Fulfilment of formal obligations by the investors.**

According to currently prevailing Spanish law, income on the Securitisation Bonds obtained by an investor not resident in Spain will either be (i) exempt from withholding on account of the Income Tax on Non-Residents (in the case of those investors who operate through a permanent establishment), or (ii) exempt on the same terms as provided for income on government debt securities (in the case of those investors who operate in Spain without a permanent establishment and provided the income is not obtained through countries or territories officially classified as tax havens).

Notwithstanding the foregoing, in order to apply the exemption from the above withholdings, certain formal obligations must be fulfilled by those investors, currently set forth in the Order of 22 December 1999 and in Royal Decree 2281/1998 of 23 October 1998, amended by Royal Decree 1778/2004, without prejudice to the possibility of other specific rules being implemented in the future for securitisation funds.

If the right to the exemption is not appropriately demonstrated according to the above rules (that is, if it is not shown that the non-resident is not acting through a tax haven or if the Issuer is not given, through the Paying Agent, the relevant certificates of the Bond clearing and deposit entity), the income on the Bonds will be subject to a withholding currently fixed at 18%.

The tax implications described above are based on the legislation in force at the time of issue and the above description does not pretend to be exhaustive. Therefore, it should not be considered a substitute for the tax advice needed for the specific situation of each investor.

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### **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 Initial Drawdowns of 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 Debtors, be it of the principal, of the interest or any other amount they may owe by virtue of the Initial Drawdowns 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 and the Initial Drawdowns, 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 Building Block.

In case of enforcement, all the amounts that Caixa Catalunya should have received, as consequence of the Mortgage Loans and its supplementary rights will correspond to the Issuer, as holder of the Mortgage Transfer Certificates, but only in the proportional part concerned to the Initial participated Drawdown,

The Securitisation Bonds issued by the Issuer do not represent or constitute an obligation of CAIXA CATALUNYA or of the Managing Company. No other guarantees have been granted by any public or private entities, including CAIXA CATALUNYA, the Managing Company 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, A2, A3, B, C and D against losses in the portfolio of Mortgage Loans as a result of the credit enhancements described in 3.4.2 of the Additional Building Block 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 Fund Available for Repayment of Series A1, A2, A3, B and C, 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 Debtors 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.

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

The guarantees of the Debtors of the provisional portfolio located in the province of Barcelona represent 7,470 First Drawdowns (57.02% of the total), the outstanding balance of principal on which amounts to 1,271,007,946.74 euros (62.31% of the total) as described in section 2.2.2.2 of the Additional Building Block.

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.

#### **3.5 Regulatory change.**

There is currently a draft bill before the Spanish parliament for a law to modernise the mortgage market, regulate reverse mortgages and insurance for dependency situations. If approved the new statute will lead to partial amendments of Law 2/1981 of 25 March 1982 which regulates the mortgage market, the Mortgage Law of 8 February 1946 and Law 2/1994 of 30 March 1994 on subrogation and modification of mortgage laws, the regulatory framework described throughout this Prospectus.

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## **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 5 February 2007, with registered office in Fontanella, 5-7, 08010 Barcelona, with Tax Identification Number A61604955, acting in turn as the management company (hereinafter, the "**Managing Company**") of the asset securitisation fund HIPOCAT 11, 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 Managing Company, 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 Meeting of Shareholders of the Managing Company to be held before 31 December 2007. The Managing Company shall inform the CNMV, Rating Agencies (hereinafter the "**Rating Agencies**") and holders of the Securitisation Bonds of any changes which may occur regarding the appointment of the auditors, in accordance with section 4 of the Additional Building Block.

In accordance with the foregoing, the Managing Company will proceed to appoint for minimum terms of three (3) years the Auditor who will carry out during that time period the audit of the Issuer's annual financial statements, and reports such appointment to the CNMV.

During the life of the Issuer, its accounts will be subject to annual examination and review by those auditors. The Issuer's accounts and the audit report will be deposited with the CNMV.

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## 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 2007, and the last, which will end on the Legal Maturity Date of the Fund (projected for 15 January 2050 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 11, FONDO DE TITULIZACIÓN DE ACTIVOS**". For identification purposes it may also be known by the following abbreviations:

- HIPOCAT 11 FTA.

- HIPOCAT 11 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 6 March 2007 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 Managing Company 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, without prejudice to the need to complete the data and amounts relating to the Mortgage Loans that will be assigned under the Deed of Establishment.

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 Managing Company to the CNMV or competent

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administrative body, or their prior authorisation if necessary, as well as notification to the Rating Agencies, all of the above provided such modifications do not prejudice the rating granted to the Securitisation Bonds by the Rating Agencies or the interests of the Securitisation Bondholders. Amendment of the Deed of Establishment must be notified by the Managing Company 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 9 March 2007, 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 Legal Maturity Date of the Fund (projected for 15 January 2050 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 Managing Company 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 (without including those Mortgage Transfer Certificates more than eighteen (18) months past due and those whose mortgage guarantee have already been enforced) 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 Managing Company, a substantial alteration or permanent distortion of the financial balance of the Issuer. This includes, *inter alia*, 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) Obligatorily, in the event the Managing Company 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 Building Block.
- d) In the event there takes place or there is expected to take place a payment default indicative, in the judgment of the Managing Company, of a serious and permanent imbalance in relation to any of the securities issued. In such event, the Managing Company, 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 Building Block (Issuer Liquidation Order of Priority of Payments).

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- e) When thirty-six (36) 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 Series A1, A2, A3, B, C and D 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 Building Block and at least fifteen (15) Business Days in advance, of the resolution of the Managing Company 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 in the Prospectus, 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 4.4.3 of the Registration Document above.
- (d) In any event, upon final liquidation of the Issuer on the Legal Maturity Date of the Fund (projected for 15 January 2050), 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 Managing Company 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 Managing Company, 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

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the Issuer has sufficient liquidity to meet its payment obligations, the Managing Company will, on behalf of the Issuer, 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 Managing Company 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 at a price at least equal to that of the best offer received by the Managing Company, with the Managing Company 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 Managing Company 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.

In addition to the above, the Managing Company, for and on behalf of the Issuer, may carry out any of the following acts:

- (i) cancel those contracts which are unnecessary for the liquidation of the Issuer; and
- (ii) arrange a credit facility which will be used only and immediately to meet the early redemption of the Securitisation Bonds of Series A1, A2, A3, B and C. 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 Managing Company 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 Building Block, except for the sums, if any, drawn from the credit facility arranged as referred to in subparagraph (ii) above, which will be used exclusively for the early redemption of the Securitisation Bonds of Series A1, A2, A3, B and C.

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 Building Block, 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 Managing Company, 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 Managing Company 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 Building Block. 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 Managing Company to the CNMV.

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#### 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 Issuer enters into the Interest Rate Swap Agreement.

The Issuer will only be liable for its obligations to its creditors to the extent of its own assets.

- 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, the domicile of the Managing Company.

#### 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, in Law 3/1992 of 28 December 1992 on the Value Added Tax, in Legislative Royal Decree 1/1993, which approved the consolidated text of Law of Capital Transfer Tax and Stamp Duty (*Impuesto sobre Transmisiones Patrimoniales y Actos Jurídicos Documentados*), Law 13/1985 of 25 May 1985, in the wording given by Law 19/2003 of 4 July 2003 and by Law 23/2005 of 18 November 2005 and Law 35/2006 of 28 November 2006 on the Personal Income Tax and of partial amendment of the Laws on the Corporate Income Tax, Income Tax on Non-Residents, and Wealth Tax, 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 32.5% since 1 January 2007, which will be lowered to 30% for tax periods beginning as from 1 January 2008, 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 of that tax, 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

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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.

Therefore, even though Royal Decree 926/1998 does not specifically refer to the tax treatment of asset securitisation funds, it can be understood that, in the framework of the regulatory authorisation mentioned above, the exemption for the “Corporate Operations” concept is also applicable to the formation of asset securitisation vehicles (such as the Issuer).

- 4) 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 the VAT Law.
- 5) The establishment and assignment of guarantees is subject to the general tax regime with no exceptions.
- 6) In relation to the Value Added Tax, the Issuer will be subject to the general rules, with the sole particularity that the management and deposit services provided for the Issuer by the Managing Company will be exempt from the Value Added Tax.
- 7) 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).
- 8) The Issuer will be subject to the disclosure obligations contained in Law 13/1985 of 25 May 1985, as amended according to Law 23/2005 of 18 November 2005 on tax reforms to foster productivity.

Without prejudice to the above description, it should be borne in mind that there has not yet been approved the regulatory implementation of Law 35/2006 of 28 November 2006 on the Personal Income Tax and of partial amendment of the Laws on the Corporate Income Tax, Income Tax on Non-Residents, and Wealth Tax, which could affect some of the issues contained in the above description of the tax implications.

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**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 Building Block, the fund HIPOCAT 11, 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 Initial Drawdowns of Mortgage Loans owned by CAIXA CATALUNYA, the main characteristics of which are described in the Additional Building Block.
- b) To pay the price of that acquisition, the Issuer will issue, on that same date, Securitisation Bonds of the Series A1, A2, A3, B and C.
- c) 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, A2, A3, B and C 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 Building Block, and 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 Building Block.
- d) The Reserve Fund will be established with the amount of the Series D 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 section 3.4.2 of the Additional Building Block.
- e) In addition, on the same Date of Establishment, the Managing Company, 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:
  - a. The Deed of Establishment will also regulate the administration of the Mortgage Loans and the custody of the Mortgage Transfer Certificates with CAIXA CATALUNYA;
  - b. 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 Building Block, for handling payment of the interest and principal of the Securitisation Bonds on the relevant dates, including the Closing Date of the Bonds;
  - c. 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 3.4.3.1 of the Additional Building Block; and
  - d. It will enter into an Underwriting and Placement Agreement for the Securitisation Bond Issue with JPMorgan, CAIXA CATALUNYA and another series of entities, described in

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section 4.2.2 of the Securities Note, for underwriting the Securitisation Bonds and placing them with qualified investors.

The Managing Company declares that the descriptions of all the contracts described (Paying Agency Agreement, Interest Rate Swap Agreement, Loan Agreement for Initial Expenses, Underwriting and Placement Agreement for the Securitisation Bond Issue and Guaranteed Interest Reinvestment Agreement for the Treasury 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.

- f) In accordance with the above, the sole activity of the Fund, as issuer, with the Managing Company 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:
- a. It will receive the amount of principal, interest and any other sum payable to it according to this Prospectus from the Mortgage Transfer Certificates administrated by CAIXA CATALUNYA, which amounts will be initially deposited in the Treasury Account, or in the Cash Surplus Account, as applicable, both initially held in CAIXA CATALUNYA.
  - b. On each Payment Date, the amount of the Mortgage Transfer Certificates deposited in the Treasury Account or the Cash Surplus 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 Prospectus, Deed of Establishment, under the Interest Rate Swap Contract, 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.
  - c. 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 Managing Company 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 JPMorgan.

J.P. Morgan Securities Ltd. (“**JPMorgan**”) is a limited liability company organised under the laws of England, with registered office at 125 London Wall EC2Y 5AJ, London, United

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Kingdom, and tax identification number 268/81630 38906. It is registered in the companies registry of England and Wales under number 2711006.

- 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, (v) the bank in which the Treasury Account is held in the name of the Fund, (vi) the counterparty in the Interest Rate Swap Agreement and (vii) 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 (granted on 9 February 2006) and Fitch (granted on 28 September 2006) are, respectively, P-1 and F1 for short-term debt, and A1 and A for long-term debt, with no ratings from S&P. Also, it is placed on record that even though this operation has not been issued a rating by DBRS, Caixa Catalunya does hold credit ratings granted by the rating agency Dominion Bond Rating Services ("**DBRS**") of A High for its long-term debt and of R-1 Middle, granted on 7 September 2006.

Spanish national economic sector classification (CNAE): 65

- d) CAIXA CATALUNYA, JPMorgan, IXIS CIB and UBS 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 Corporate & Investment Bank, that is, "**IXIS CIB**", is an incorporated and registered bank in France, that holds corporate taxpayer identification number (CIF) FR66340 706 4007 with registered office at 47, quai d'Austerlitz, 75658, Paris cedex 13 (France), and is registered also in the Bank of Spain as an European union credit institution, that operates in Spain without permanent establishment. IXIS CIB as an European Union credit institution operates under the freedom to provide services regimen.

UBS Limited is a limited liability company of English law, registered in the Companies Registry of England and Wales under number 2035362, whose registered office is at 1, Finsbury Avenue, London EC2M 2PP, United Kingdom and whose corporate taxpayer identification number is 447151456. Operates in Spain under the freedom to provide services regimen.

- e) 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, 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.

- f) 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 Calle Bárbara de Braganza, 2, and holds corporate taxpayer identification number (CIF) A-83448475.

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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 Paseo de Gracia 85, 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.

- g) J & A Garrigues, S.L. has provided legal advice on the operation and reviewed its tax implications.

J & A Garrigues, S.L. is a limited liability company that provides legal advisory services, with registered office in Madrid, at Calle Hermosilla, 3 and holds corporate taxpayer identification number (CIF) B-81709081.

One hundred percent of the capital of the Managing Company 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 Managing Company, **GESTIÓN DE ACTIVOS TITULIZADOS, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN S.A.**

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

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

The Managing Company is subject to supervision by the CNMV, in accordance with the provision of Royal Decree 926/1998.

### **6.2 Audit of the financial statements of the Managing Company.**

The Managing Company has accounts for 2005, 2004 and 2003 audited by Deloitte on deposit at the CNMV and at the Companies Registry. The audit reports on the annual financial statements for 2005, 2004 and 2003 contained no qualifications.

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### 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 Managing Company, 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 and of the Prospectus. The Managing Company will perform for the Issuer those functions that rest with it under Royal Decree 926/1998. The Managing Company, 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 Managing Company 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 Managing Company unless the Managing Company 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 Managing Company does not hold equity interests in any company.

### 6.5 Lenders to the Managing Company.

The Managing Company has not been granted any financing by third parties.

### 6.6 Litigation of the Managing Company.

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 Managing Company or on its future capacity to perform the Fund management and administration functions provided in this Prospectus.

### 6.7 Board of Directors of the Managing Company.

The Board of Directors of the Managing Company 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 (Chairman and Chief Executive)	-	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. Matías Torrellas Jovani	-	CAIXA CATALUNYA	12 February 2007	Fontanella 5-7 Barcelona

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Director	Individual Appointee	Appointed by:	Date of Appointment	Business Address
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 appointment of Matías Torrellas Jovani as director is pending communication to the CNMV and registration with the Companies Register.

The General Manager of the Managing Company 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 Managing Company approved an Internal Code of Conduct containing the rules of conduct in relation to securities managed by the Managing Company 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 Managing Company 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 Managing Company 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 Riofisa, S.A, on the name and behalf of Caixa Catalunya. Deputy General Manager of Caixa Catalunya
Mr. Gabriel Santolaria Arruebo	Director of Factorcat, S.A.
Mr. Matías Torrellas Jovani	Director of the Treasury and Capital Markets Area of Caixa Catalunya
Mr. Jaime Sambola Pijuan	Assistant Director of Caixa Catalunya
Mr. Alberto Foz Val	Director of Liscat, S.A.

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## 6.8 Funds managed.

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

Fund	Date Formed	Initial Amount	Amount managed at 31/12/2006
HIPOCAT 1, FONDO DE TITULIZACIÓN HIPOTECARIA	17-jun-98	144,242,909.05 €	16,351,469.11 €
HIPOCAT 2, FONDO DE TITULIZACIÓN HIPOTECARIA	28-oct-98	285,480,749.58 €	38,719,307.43 €
HIPOCAT 3, FONDO DE TITULIZACIÓN HIPOTECARIA	16-jul-99	442,000,000 €	87,835,048.93€
PYMECAT 1 FTPYME, FONDO DE TITULIZACIÓN DE ACTIVOS	17-jan-01	150,000,000 €	0 €
HIPOCAT 4, FONDO DE TITULIZACIÓN DE ACTIVOS	18-jul-01	300,000,000 €	111,413,455.23 €
HIPOCAT 5, FONDO DE TITULIZACIÓN DE ACTIVOS	30-oct-02	696,000,000 €	268,441,473.06 €
HIPOCAT 6, FONDO DE TITULIZACIÓN DE ACTIVOS	17-sep-03	850,000,000 €	394,631,074.27 €
HIPOCAT 7, FONDO DE TITULIZACIÓN DE ACTIVOS	8-jun-04	1,400,000,000 €	812,220,335.32 €
HIPOCAT 8, FONDO DE TITULIZACIÓN DE ACTIVOS	6-may-05	1,500,000,000 €	1,094,195,431.69 €
HIPOCAT 9, FONDO DE TITULIZACIÓN DE ACTIVOS	25-nov-2005	1,016,000,000 €	847,361,614.76€
GAT FTGENCAT 2005, FONDO DE TITULIZACIÓN DE ACTIVOS	12-dec-2005	700,000,000 €	508,457,439.72€
HIPOCAT 10, FONDO DE TITULIZACIÓN DE ACTIVOS	5-jul-2006	1,525,000,000 €	1,412,200,106.83 €
GAT FTGENCAT 2006, FONDO DE TITULIZACIÓN DE ACTIVOS	28-sep-2006	449,500,000 €	415,435,111.44 €

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## 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) euros.

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.

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

(euros)	31/12/2004	%var	31/12/2005	%var	31/12/2006(*)
Capital	901,650.00	0.00%	901,650.00	0.00%	901,650.00]
Legal Reserve	122,203.69	47.57%	180,330.00	0.00%	180,330.00
Voluntary Reserve	169,448.36	6.70%	180,799.50	0.19%	181,134.93
<b>TOTAL</b>	<b>1,193,302.05</b>	<b>5.82%</b>	<b>1,262,779.50</b>	<b>0.03%</b>	<b>1,263,114.93</b>

(\*) The information as at 31 December 2006 has not been audited.

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

There are no dealings with related parties or conflicts of interest, although CAIXA CATALUNYA HAS participated as Seller to some of the Funds managed by the Company.

## 7 MAJOR SHAREHOLDERS

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 Managing Company 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 euros (54% of the capital)
FACTORCAT, Establecimiento Financiero de Crédito S.A.	207,379.5 euros (23% of the capital)
LEASING CATALUNYA, Establecimiento Financiero de Crédito, S.A.	207,379.5 euros (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.

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**8.2 Historical financial information.**

Not applicable.

**8.2 bis Historical financial information on securities 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 Managing Company, its audited annual financial statements and its internal code of conduct.
2. The Deed of Establishment, once granted.
3. This Prospectus.
4. The following contracts and documents, once they have been signed and delivered:
  - (a) Guaranteed Interest Reinvestment Agreement for the Treasury Account described in section 3.4.4.1 of the Additional Building Block.
  - (b) Loan Agreement for Initial Expenses, described in section 3.4.3.1 of the Additional Building Block.

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- (c) Interest Rate Swap Agreements, described in section 3.4.7.1 of the Additional Building Block.
  - (d) Paying Agency Agreement for the Securitisation Bonds, described in section 3.4.7.2 of the Additional Building Block and section 5.2 of the Securities Note.
  - (e) Underwriting and Placement Agreement for the Issue of Securitisation Bonds that will be entered into for this purpose for the placement of the Securitisation Bonds.
  - (f) Certificate of payment of the Bonds.
5. Board Resolutions of the Seller and of the Managing Company.
  6. Audit Report.
  7. Final and provisional rating letters from the Rating Agencies.
  8. The letters of the Lead Managers.
  9. The Letter of the Seller.

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

The Prospectus may also be consulted at the website of the Managing Company ([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 9 above may be consulted in the registers of the CNMV.

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

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## **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 held on 5 February 2007, with registered office in Fontanella, 5-7, 08010 Barcelona, with Tax Identification Number A61604955, acting in turn as the management company (hereinafter, the “**Managing Company**”) of the asset securitisation fund HIPOCAT 11, 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 Managing Company, declares that, after applying reasonable diligence to ensure that this is so, the information contained in this Securities Note and its Additional Building Block 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 Managing Company’s share capital belongs to GRUPO CAIXA CATALUNYA. The Managing Company 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 Managing Company 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.**

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The aggregate nominal amount of the Securitisation Bond Issue will be one thousand six hundred and twenty eight million (1,628,000,000) euros, comprising sixteen thousand two hundred and eighty (16,280) Securitisation Bonds, with a unit nominal value of one hundred thousand (100,000) euros 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 11, 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 six (6) Series in the following manner:

- a) Class A bonds: Ordinary securitisation bonds comprising three (3) series ("**Class A bonds**"):
  - **Series A1**, for a total nominal amount of two hundred million (200,000,000) euros, comprises two thousand (2,000) Securitisation Bonds with a nominal value of one hundred thousand (100,000) euros each (hereinafter, "**Series A1 Securitisation Bonds**" or "**A1 Bonds**").
  - **Series A2**, for a total nominal amount of one thousand and eighty three million two hundred thousand (1,083,200,000) euros, comprises ten thousand eight hundred and thirty two (10,832) Securitisation Bonds with a nominal value of one hundred thousand (100,000) euros each (hereinafter, "**Series A2 Securitisation Bonds**" or "**A2 Bonds**").
  - **Series A3**, for a total nominal amount of two hundred million (200,000,000) euros, comprises two thousand (2,000) Securitisation Bonds with a nominal value of one hundred thousand (100,000) euros each (hereinafter, "**Series A3 Securitisation Bonds**" or "**A3 Bonds**").
- b) Series B for a total nominal amount of fifty two million eight hundred thousand (52,800,000) euros comprising five hundred and twenty eight (528) 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 sixty four million (64,000,000) euros comprising six hundred and forty (640) Securitisation Bonds with a nominal value of one hundred thousand (100,000) euros each, represented by book entries ("**Series C**" or "**Series C Securitisation Bonds**").
- d) Series D for a total nominal amount of twenty eight million (28,000,000) euros comprising two hundred and eighty (280) 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**").

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#### 4.2.2 Underwriting and placement of the securities

Simultaneous to the creation of the Fund and on behalf of this, the Managing Company will execute with the Lead Managers and with the Underwriters and Distributors mentioned in section 5.2 of the Registration Document an Underwriting and Placement Agreement for the Securitisation Bond Issue, 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 for the respective amount it has underwritten:

Underwriters and Distributors	Series A1 Securitisation Bonds	Series A2 Securitisation Bonds	Series A3 Securitisation Bonds	Series B Securitisation Bonds	Series C Securitisation Bonds	Series D Securitisation Bonds
<b>JPMorgan</b>	80.000.000	433.300.000	80.000.000	21.100.000	25.600.000	0
<b>IXIS CIB</b>	50.000.000	270.800.000	50.000.000	13.200.000	16.000.000	0
<b>UBS</b>	50.000.000	270.800.000	50.000.000	13.200.000	16.000.000	0
<b>CAIXA CATALUNYA</b>	20.000.000	108.300.000	20.000.000	5.300.000	6.400.000	28.000.000
<b>Total</b>	<b>200.000.000</b>	<b>1.083.200.000</b>	<b>200.000.000</b>	<b>52.800.000</b>	<b>64.000.000</b>	<b>28.000.000</b>

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

- 1) To ensure the placement for its subscription by third parties of the Securitisation Bonds of Series A1, A2, A3, B and C; CAIXA CATALUNYA will subscribe the whole of Series D 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, A2, A3, B and C 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 D) under certain circumstances envisaged for these purposes, as described below;
- 3) The Underwriters and Distributors shall each 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, A2, A3, B, C and D 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, A2, A3, B and C; and
- 7) other matters governing the underwriting and placement.

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The placement of the Securitisation Bonds of Series A1, A2, A3, B and C will be carried out during the Subscription Period, which shall take place between 11:00 and 12:00 hours on 12 March 2007. The placement, and the allocation which each Underwriter and Distributor undertakes by virtue of the Bond Issue Management, Underwriting and Placement Agreement, shall be carried out freely by 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. The obligation assumed by the Underwriters and Distributors 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, JPMorgan, IXIS CIB and UBS give written notice to the Managing Company 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 Distributors may maintain the underwriting commitment stipulated for each of these, by merely giving written notice to such effect to the Managing Company 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, or if there occurs one of the events provided for in applicable legislation, will give rise to the termination of the Underwriting and Placement Agreement for the Bonds, rescission of the formation of the Issuer, of the Bond Issue and of the assignment of the Initial Drawdowns and the rest of the Contracts of the Issuer.

As payment for the commitment undertaken by the Underwriters and Distributors, these shall receive an underwriting and placement commission. Each of the Bond Underwriters and Distributors 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 0.025% and 0.055%, both inclusive for Bonds of the Series A1, A2, A3, B and C.

The underwriting and placement commission charged on the nominal value of the Bonds of Series A1, A2, A3, B and C will be determined by mutual agreement of the Lead Managers and notified in writing to the Managing Company prior to 10.00 hours (CET time) on the day of the Subscription Period. If the Lead Managers are unable to reach an agreement, the Managing Company will set the underwriting and placement commission for the Series for which there is no agreement at 0.035%.

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, in the manner stipulated in the Underwriting Agreement.

CAIXA CATALUNYA will exclusively subscribe all the Securitisation Bonds of Series D by virtue of the Underwriting and Placement Agreement and will therefore assume the obligations contained therein in relation to the subscription of the Securitisation Bonds of Series D, namely the following: 1) commitment to subscribe the Securitisation Bonds of Series D 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 D; 3) commitment to pay the default interest agreed in the Underwriting and Placement Agreement for the Securitisation Bonds Issue 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 D.

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

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Lead Managers shall receive no remuneration for their work as Lead Managers.

#### **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, as worded in the prevailing version, and (vi) the rest of the legal and regulatory provisions in force that apply from time to time.

The Deed of Establishment, the Bond issue and the contracts for the financial risk hedging operations and provision of services for the account of the Issuer will be subject to Spanish law and will be governed and construed in accordance with the laws of Spain.

#### **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 Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, IBERCLEAR (hereinafter "IBERCLEAR"), located at Plaza de la Lealtad, 1, Madrid (Spain).

Regarding the aforementioned, 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 such (for their own account or the account of others) as shown by 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 A2 and Series A3) ranks 3<sup>rd</sup> in the Order of Priority established in section 3.4.6.1 of the Additional Building Block and 4<sup>th</sup> in the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Building Block.

Payment of interest on Series B Securitisation Bonds will rank 4<sup>th</sup> in the Order of Priority established in section 3.4.6.1 of the Additional Building Block, unless the conditions set out in that section of the Prospectus for its deferral are fulfilled, in which case it will rank 7<sup>th</sup> in the Order of Priority, and 6<sup>th</sup> in the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Building Block.

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 Building Block, unless the conditions set out in that section of the

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Prospectus for its deferral are fulfilled, in which case it will rank 8<sup>th</sup> in the Order of Priority, and 8<sup>th</sup> in the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Building Block.

Payment of interest on Series D Bonds will rank 10<sup>th</sup> in the Order of Priority established in section 3.4.6.1 of the Additional Building Block and 10<sup>th</sup> in the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Building Block.

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 Class A ranks 6<sup>th</sup> in the Payment Priority Order established in section 3.4.6.1 of the Additional Building Block, and is subject to the rules established in section 4.9.3.5 of this Securities Note.

In the event of Early Liquidation, payment of the principal of Class A will rank 5<sup>th</sup> in the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Building Block.

The withholding for redemption of Series B ranks 6<sup>th</sup> in the Payment Priority Order established in section 3.4.6.1 of the Additional Building Block, and is subject to the rules established in section 4.9.3.5 of this Securities Note.

In the event of Early Liquidation, payment of the principal of Series B will rank 7<sup>th</sup> in the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Building Block.

The withholding for redemption of Class C ranks 6<sup>th</sup> in the Payment Priority Order established in section 3.4.6.1 of the Additional Building Block, and is subject to the rules established in section 4.9.3.5 of this Securities Note.

In the event of Early Liquidation, payment of the principal of Class C will rank 9<sup>th</sup> in the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Building Block.

In the case of Securitisation Bonds of the Series D, payment of the principal of those Series D Securitisation Bonds will rank 11<sup>th</sup> in the Order of Priority established in section 3.4.6.1 of the Additional Building Block and 11<sup>th</sup> in the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Building Block.

#### **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 11 or its Managing Company.

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 Managing Company, 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

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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 Managing Company 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 Building Block.

Bondholders of the Fund will have no recourse against the Managing Company, 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 Managing Company, will be submitted to the competent 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.

##### **4.8.1 Nominal interest rate and accrual of interest**

###### **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 (15 July 2007).

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, 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 A2 Securitisation Bonds: between 0.10% and 0.16%, both inclusive.
- for Series A3 Securitisation Bonds: between 0.13% and 0.19%, both inclusive.
- for Series B Securitisation Bonds: between 0.20% and 0.35%, both inclusive.

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- for Series C Securitisation Bonds: between 0.40% and 0.60%, both inclusive.
- for Series D Securitisation Bonds: between 3.50% and 4.50%, both inclusive.

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 12 March 2007).

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 Managing Company by the Lead Managers before 10:30 (CET time) on 12 March 2007.

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

- for Series A1 Securitisation Bonds: 0.04%
- for Series A2 Securitisation Bonds: 0.14%
- for Series A3 Securitisation Bonds: 0.19%
- for Series B Securitisation Bonds: 0.30%
- for Series C Securitisation Bonds: 0.60%, and
- for Series D Securitisation Bonds: 4.50%

The Managing Company shall report said margins before commencement of the Subscription Period to the Lead Managers and to the Underwriters and Distributors, for these to so inform the investors interested in the subscription of the Securitisation Bonds. Additionally, the Managing Company 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:

- (i) 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. CET. (Brussels time, Central European Time) at the Interest Determination Time, 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.
- (ii) By way of exception, the Reference Interest Rate for the Interest Period will be the four (4) month Euribor, set at 11:00 a.m. (CET) on the second Business Day before the Closing Date.
- (iii) At present, said EURIBOR rate is the rate offered for interbank deposits at term in euros, 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

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actual days until maturity and a 360-day year, and it is set at 11.00 h., CET. time, expressed with three (3) decimal figures.

- (iv) 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 Managing Company.
- (v) On each one of the Interest Rate Fixing Dates, the Paying Agent will notify the Managing Company of the Reference Interest Rate determined according to the foregoing paragraphs. The Managing Company will maintain the listouts and supporting documents on the basis of which it has determined the Reference Interest Rate for the Bonds for each Interest Period of the Bonds that it communicated to the Paying Agent.

**d) Interest Determination Time.**

The Nominal Interest Rate applicable to the Securitisation Bonds during each Interest Period will be set by the Managing Company 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 below of this Securities Note, at 11.00 a.m. (CET.) 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 (b) above, on the basis of the Reference Interest Rate stipulated in section c) above, quoted at 11.00 a.m. (CET.) 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 Managing Company to the Underwriters and Distributors for these to pass on the information to investors interested in subscribing for the Securitisation Bonds. The Managing Company 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 Building Block.

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 Building Block.

**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.

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*Rounded to the nearest centime.*

#### 4.8.2 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 arrears on 15 January, 15 April, 15 July and 15 October of each year (each a “**Payment Date**”) until the Securitisation Bonds have been fully redeemed. The first Payment Date will take place on 15 July 2007.

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
- public holidays 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 Building Block.

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 Managing Company, will not be able to defer payment of interest or principal on the Securitisation Bonds until after the Legal Maturity Date, 15 January 2050 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.

#### 4.8.3 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

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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., CET. 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 Managing Company.

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: 0.04% for Series A1, 0.14% for Series A2, 0.19% for Series A3, 0.30% for Series B, 0.60% for Series C and 4.50% for Series D.

Interest Rate Determination Date	3 month Euribor	Series A1	Series A2	Series A3	Series B	Series C	Series D
<b>Margin:</b>		0.04%	0.14%	0.19%	0.30%	0.60%	4.50%
15 Jan 2007	3.746%	3.786%	3.886%	3.936%	4.046%	4.346%	8.246%
15 Dec 2006	3.686%	3.726%	3.826%	3.876%	3.986%	4.286%	8.186%
15 Nov 2006	3.595%	3.635%	3.735%	3.785%	3.895%	4.195%	8.095%
16 Oct 2006	3.502%	3.542%	3.642%	3.692%	3.802%	4.102%	8.002%
15 Sep 2006	3.335%	3.375%	3.475%	3.525%	3.635%	3.935%	7.835%
15 Aug 2006	3.220%	3.260%	3.360%	3.410%	3.520%	3.820%	7.720%
17 Jul 2006	3.100%	3.140%	3.240%	3.290%	3.400%	3.700%	7.600%
15 Jun 2006	2.963%	3.003%	3.103%	3.153%	3.263%	3.563%	7.463%
15 May 2006	2.884%	2.924%	3.024%	3.074%	3.184%	3.484%	7.384%
18 Apr 2006	2.769%	2.809%	2.909%	2.959%	3.069%	3.369%	7.269%
15 Mar 2006	2.703%	2.743%	2.843%	2.893%	3.003%	3.303%	7.203%
15 Feb 2006	2.597%	2.637%	2.737%	2.787%	2.897%	3.197%	7.097%
16 Jan 2006	2.508%	2.548%	2.648%	2.698%	2.808%	3.108%	7.008%

#### 4.8.4 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.

#### 4.8.5 Adjustment rules for the underlying

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In the absence or impossibility of obtaining the rate set out in section 4.8.3 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.

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 4.8.3 of this Securities Note.

#### 4.8.6 Calculation Agent

The Calculation Agent for the interest of the Securitisation Bonds will be the Managing Company, 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 Managing Company of the Reference Interest Rate, determined in accordance with sections 4.8.3 and 4.8.5 above of this Securities Note. The Managing Company 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 Managing Company 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 of the Fund and final redemption of the Securitisation Bonds will be 15 January 2050 or, if this were not a Business Day, the following Business Day ("**Legal Maturity Date**"), although the Managing Company, 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 Legal Maturity Date of the Securitisation Bonds.

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

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

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

#### 4.9.3 Redemption Rules for Series A1, A2, A3, B and C.

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

The principal of the Series A1 Securitisation Bonds will be repaid through partial repayments from the first Payment Date (15 July 2007) until their full nominal value has been repaid, for the Fund Available for Repayment applied on each Payment Date to the repayment of Series A1 in accordance with the rules for Distribution of the Fund Available for Repayment contemplated in section 4.9.3.5 of this Securities Note, which shall be distributed pro rata among the Series A1 Securitisation Bonds by reducing the nominal value of each Series A1 Securitisation Bond.

Nevertheless, if there exist the circumstances for Pro Rata Repayment of Class A, the Series A1 Bonds will be repaid pro rata with the Bonds of Series A2 and of A3, all according to the rules for Distribution of the Fund Available for Repayment.

Notwithstanding the provisions of the preceding paragraphs, in any event, the final repayment of the Series A1 Securitisation Bonds will be made on the Legal Maturity Date of the Fund (15 January 2050), although the Managing Company, 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 Legal Maturity Date of the Fund, in which case the Payment Date on which this occurs will be the Legal Maturity Date of the Securitisation Bonds.

##### (ii) Repayment of Series A2 Securitisation Bonds

Series A2 Bonds shall be repaid through partial repayments, until their total nominal amount is completed, by reduction of the nominal amount of each Series A2 Bond, with the first partial repayment date of the Series A2 Bonds falling on the Payment Date on which the Series A1 Bonds are fully repaid and in the following manner.

- a) As from the Payment Date on which the Series A1 Bonds have been repaid in full and, until the Payment Date that corresponds to 15 July 2013, not included, there will be carried out on each such date the partial redemption of the Series A2 Bonds by means of reduction of the nominal amount of each Series A2 Bond, by the amount of the Fund Available for Repayment, according to the rules for Distribution of the Fund Available for Repayment set out in section 4.9.3.5 of this Securities Note.
- b) As from the Payment Date that corresponds to 15 July 2013, inclusive, there will be carried out on each Payment Date the partial redemption of the Series A2 Bonds by means of reduction of the nominal amount of each Series A2 Bond, by 25% of the amount of the Fund Available for Repayment used for redemption of the Class A Securitisation Bonds or by 100% thereof (if the Series A3 Bonds have been repaid), according to the rules for Distribution of the Fund Available for Repayment set out in section 4.9.3.5 of this Securities Note.

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Nevertheless, if there exist the circumstances for Pro Rata Repayment of Class A, the Series A2 Bonds will be repaid pro rata with the Bonds of Series A1 and of A3, all according to the rules for Distribution of the Fund Available for Repayment.

Without prejudice to what is provided in the foregoing paragraphs, in all events, the final redemption of the Series A2 Bonds will be the Legal Maturity Date of the Fund (15 January 2050), and without prejudice also to the Managing Company, acting on behalf and for the account of the Fund and in accordance with the provisions of section 4.4 of the Registration Document, carrying out the early redemption of the Bond Issue prior to the Legal Maturity Date of the Fund, in which event the Payment Date on which this will be carried out will be the Legal Maturity date of the Securitisation Bonds.

**(iii) Repayment of the Series A3 Securitisation Bonds**

Series A3 Bonds shall be repaid through partial repayments, until the total nominal amount thereof is completed, by pro rata reduction of the nominal amount of each Series A3 Bond, as from the Payment Date that corresponds to 15 July 2013, and provided that as on that date the Series A1 Bonds have been repaid in full.

As from the Payment Date referred to in the preceding paragraph, on each Payment Date there will be a partial redemption of the Series A3 Bonds, by reduction of the nominal amount of each Series A3 Bond by 75% of the Fund Available for Repayment used to repay the Class A Securitisation Bonds, or by 100% thereof (if the Series A2 Bonds have been redeemed in full), according to the rules on Distribution of the Fund Available for Repayment that are set out in section 4.9.3.5 of this Securities Note. Nevertheless, if there exist the circumstances for Pro Rata Repayment of Class A, the Series A3 Bonds will be repaid pro rata with the Bonds of Series A1 and of A2, all according to the rules for Distribution of the Fund Available for Repayment.

Without prejudice to what is provided in the foregoing paragraphs, in all events, the final redemption of the Series A3 Bonds will be the Legal Maturity Date of the Fund (15 January 2050), and without prejudice also to the Managing Company, acting on behalf and for the account of the Fund and in accordance with the provisions of section 4.4 of the Registration Document, carrying out the early redemption of the Bond Issue prior to the Legal Maturity Date of the Fund, in which event the Payment Date on which this will be carried out will be the Legal Maturity date of the Securitisation Bonds.

**(iv) Redemption of the Series B Securitisation Bonds**

Once the Class A Bonds have been fully repaid, the Series B Securitisation Bonds will be partially repaid, until their total nominal value has been completed, by pro rata reduction of the nominal amount amongst the Series B Bonds themselves on each Payment Date, until this is repaid in full in an amount equal to the Fund Available for Repayment at that Payment Date.

The first repayment of Series B Securitisation Bonds will be made on the first Payment Date on which, after the Class A Bonds (Series A1, A2 and A3) have been repaid in full, there exists an Fund Available for Repayment.

The above notwithstanding, even though Class A Bonds (Series A1, A2 and A3) have not been fully repaid, the Fund Available for Repayment 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 Fund Available for Repayment, such that the ratio

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between the Outstanding Principal Balance of the Series B Securitisation Bonds to the sum of the Outstanding Principal Balance of the Series A1, A2, A3, B and C Securitisation Bonds remains at 6.60% or the closest possible higher percentage.

The final repayment of Series B Securitisation Bonds will be made on the Legal Maturity Date of the Fund (15 January 2050), although the Managing Company, acting for and on behalf of the Issuer, as provided for in section 4.4 of the Registration Document, may repay this issue early, in which case the Payment Date on which this occurs will be the Legal Maturity Date of the Securitisation Bonds.

**(v) Repayment of Series C Securitisation Bonds:**

Once the Series A1, A2, A3 and B Bonds have been fully repaid, the Series C Securitisation Bonds will be partially repaid, until their total nominal value has been completed, by pro rata reduction of the nominal amount amongst the Series C Bonds themselves on each Payment Date, until this is repaid in full in an amount equal to the Fund Available for Repayment at that Payment Date.

The first repayment of Series C Securitisation Bonds will be made on the first Payment Date on which, after the Class A Bonds (Series A1, A2 and A3) and Series B Bonds have been repaid in full, there exists an Fund Available for Repayment.

The above notwithstanding, even though Class A Bonds (Series A1, A2 and A3) and Series B Bonds have not been repaid in full, the Fund Available for Repayment 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 Fund Available for Repayment, such that the ratio between the Outstanding Principal Balance of the Series C Securitisation Bonds to the sum of the Outstanding Principal Balance of the Series A1, A2, A3, B and C Securitisation Bonds remains at 8.00% or the closest possible higher percentage.

The final repayment of Series C Securitisation Bonds will be made on the Legal Maturity Date of the Fund (15 January 2050), although the Managing Company, acting for and on behalf of the Issuer, as provided for in section 4.4 of the Registration Document, may repay this issue early, in which case the Payment Date on which this occurs will be the Legal Maturity Date of the Securitisation Bonds.

**4.9.3.2 Rules for Repayment of Series D Securitisation Bonds**

The principal of Series D 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 Fund Available for Repayment applied on each Payment Date to the repayment of Series D, in accordance with the Order of Priority.

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

1. For so long as CAIXA CATALUNYA is the holder of all Series D Securitisation Bonds and does not communicate anything in relation to this to the Managing Company, the positive difference between the amount of the Required Reserve Fund on the previous Payment Date and the amount of the Required Reserve

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Fund on the Payment Date in question, in accordance with the provisions of section 3.4.2 of the Additional Building Block.

2. If CAIXA CATALUNYA, being the holder of all Series D Securitisation Bonds, communicates its intention to change the predetermined amortisation mechanism to the accelerated mechanism before the Determination Date prior to any Payment Date, for the amount of the Available Funds, once the payments ranked 1<sup>st</sup> to 10<sup>th</sup> in the Payment Priority Order have been made.
3. In the event that CAIXA CATALUNYA sells partially or totally the Series D Securitisation Bonds, and after it communicates this fact in writing to the Managing Company, the mechanism established in point 2 before shall be applied from the Payment Date corresponding the Determination Date immediately after the receipt by the Managing Company of such communication from CAIXA CATALUNYA

Once the option set out in this point 3 has been notified, this shall be irreversible and, accordingly, from the Payment Date immediately following the notification made to the Managing Company, Series D Securitisation Bonds shall be fully repaid for the amount of the Available Funds, once the payments ranked 1<sup>st</sup> to 10<sup>th</sup> in the Order of Priority have been made.

The final repayment of Series D Securitisation Bonds will be made on the Legal Maturity Date of the Fund (15 January 2050), although the Managing Company, 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 Legal Maturity Date of the Securitisation Bonds.

#### 4.9.3.3 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).

#### 4.9.3.4 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 of First Drawdowns more than eighteen (18) months past due or whose mortgage guarantees have already been foreclosed.

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 eighteen (18) months and those the mortgages whereof have been foreclosed) and (ii) the Outstanding Balance of the Mortgage Portfolio.

#### 4.9.3.5 Fund Available for Repayment of Series A1, A2, A3, B and C

##### (i) Definition

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On each Payment Date, with a charge to charge to Available Funds and in the sixth (6<sup>th</sup>) position in the Order of Priority contemplated in section 3.4.6.1 of the Additional Building Block, there will be withheld the amount destined for repayment of the Series A1, A2, A3, B and C Securitisation Bonds as a whole and without distinction between Series (hereinafter, the “**Fund Available for Repayment**”) in an amount equal to the lower of the following:

1. The “**Theoretical Repayment Amount**”, that is, the positive difference on that Payment Date between:
  - (A) the sum of the Outstanding Principal Balance of the Securitisation Bonds of Series A1, A2, A3, B and C on the immediately preceding Determination Date; and
  - (B) the Outstanding Balance of the Mortgage Portfolio.
2. The Available Funds at that Payment Date, minus the amounts corresponding to the items ranked 1<sup>st</sup> to 5<sup>th</sup> in the Order of Priority of Payments set out in section 3.4.6.1 of the Additional Building Block.

Depending on the liquidity existing on each Payment Date, the amount actually applied of the Available Funds to the Fund Available for Repayment will be the amount destined to repay the principal of the Securitisation Bonds of Series A1, A2, A3, B and C that will be allocated according to the rules for Distribution of the Fund Available for Repayment set out in point 4.9.3.5 (ii) below.

The Fund Available for Repayment on a given Payment Date will be calculated on the immediately preceding Determination Date.

The Managing Company will notify the Bondholders, in the manner contemplated in section 4.1.3 of the Additional Building Block, of the Fund Available for Repayment 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.

(ii) Allocation of the Fund Available for Repayment among the various Bond Series.

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

- a) The Fund Available for Repayment will be sequentially, first to the full repayment of the Outstanding Principle Balance of Class A Securitisation Bonds (Series A1, Series A2 and Series A3), second to the full repayment of the Outstanding Principle Balance of Series B Securitisation Bonds, and third to the full repayment of the Outstanding Principle Balance of Series C Securitisation Bonds, without prejudice to what is provided in sections c) and d) below for pro rata repayment of Series A1, A2, A3, B and C.
- b) The Fund Available for Repayment applied to repayment of Class A (Series A1, A2 and A3), both according to the rule given in paragraph a) above, and according to the rules given in sections c) and d) below, will be applied as follows:

**b.1.)** Ordinary application according to the following rules:

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1st. Sequentially, first, to repayment of the principal of the Securitisation Bonds of Series A1.

2nd Second, to repayment of the principal of the Securitisation Bonds of Series A2 and A3, without subordination between them, but with the following rules for distribution of the Fund Available for Repayment, as a function of the Payment Date:

- As from the Payment Date on which all Securitisation Bonds of Series A1 have been repaid in full, and until the Payment Date corresponding to 15 July 2013, not included, all of the Fund Available for Repayment will be applied to repayment of the principal of the Series A2 Securitisation Bonds.
- As from the Payment Date corresponding to 15 July 2013, inclusive, and provided all Series A1 Securitisation Bonds have been repaid in full, the Fund Available for Repayment of the Class A will be applied (i) some 25% to repayment of the Series A2 Securitisation Bonds and (ii) 75% to repayment of the Series A3 Securitisation Bonds.
- As from the Payment Date corresponding to 15 July 2013, inclusive, and provided all Series A1 and Series A2 Securitisation Bonds have been repaid in full, the whole of the Fund Available for Repayment of Class A will be applied to repayment of the Series A3 Securitisation Bonds; and vice versa, provided all Series A1 and Series A3 Securitisation Bonds have been repaid in full, the whole of the Fund Available for Repayment of Class A will be applied to repayment of the Series A2 Securitisation Bonds.

**b.2)** Exceptional pro rata application of the Class A Securitisation Bonds (hereinafter, "**Pro rata Repayment of Class A**"), in the event that on the Determination Date immediately before the relevant Payment Date, the quotient of (a) the Outstanding Balance of the Mortgage Portfolio that is up to date with payment or delinquent up to no more than ninety (90) plus the revenues received from redemptions of the principal of the Mortgage Transfer Certificates during the Determination Date prior to the Payment Date in progress, and (b) the Outstanding Principal Balance of the Securitisation Bonds of Series A1, A2 and A3 is less than or equal to 1.

In such event, the Fund Available for Repayment will be applied to repayment of Class A (Series A1, A2 and A3) and will be applied to repayment of Series A1, to repayment of Series A2 and to repayment of Series A3, distributed thereamongst pro rata directly proportional to (a) the Outstanding Principal Balance of Series A1, (b) the Outstanding Principal Balance of Series A2 and (c) the Outstanding Principal Balance of Series A3, at the Determination Date preceding the relevant Payment Date.

If the conditions exist for the pro rata repayment of Class A the conditions for the pro rata repayment of all the Series cannot be applied.

- c) The above notwithstanding, even though Class A (Series A1, A2 and A3) may not have been fully repaid, the Fund Available for Repayment shall also be allocated to the repayment of Series B or, as applicable, of Series B and C on the Payment Date that is not the final Payment Date nor the Fund liquidation date and on which the following conditions are fulfilled ("**Conditions for Pro Rata Repayment**"):

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- (1) To proceed to repayment of Series B, that on the Determination Date immediately before the Payment Date in progress:
    - (i) that the Outstanding Balance of the Mortgage Transfer Certificates more than ninety (90) days past due (excluding the Outstanding Balance of the Mortgage Transfer Certificates more than 18 months past due and those whose mortgage guarantees have already been foreclosed) is less than one point fifty percent (1.50%) of the Outstanding Balance of the Mortgage Portfolio;
    - (ii) that the Outstanding Principal Balance of the Securitisation Bonds of Series B is equal to or greater than 6.60% of the sum of the Outstanding Principal Balance of the Securitisation Bonds of Series A1, A2, A3, B and C;
    - (iii) that the Reserve Fund is totally provisioned;
    - (iv) that the conditions for the pro rata repayment of Class A, envisaged in section b.2) above, do not exist; and
    - (v) that the Outstanding Balance of the Mortgage Transfer Certificates is greater than 10% of the balance of the Mortgage Portfolio on the Date of Constitution of the Fund.
  - (2) To proceed to repayment of Series C, that on the Determination Date immediately before the Payment Date in progress:
    - (i) that the Outstanding Balance of the Mortgage Transfer Certificates more than ninety (90) days past due (excluding the Outstanding Balance of the Mortgage Transfer Certificates more than 18 months past due and those whose mortgage guarantees have already been foreclosed) is less than one percent (1.00%) of the Outstanding Balance of the Mortgage Portfolio;
    - (ii) that the Outstanding Principal Balance of the Securitisation Bonds of Series C is equal to or greater than 8.00% of the sum of the Outstanding Principal Balance of the Securitisation Bonds of Series A1, A2, A3, B and C;
    - (iii) that the Reserve Fund is totally provisioned; and
    - (iv) that the conditions for the pro rata repayment of Class A, envisaged in section b.2) above, do not exist; and
    - (v) that the Outstanding Balance of the Mortgage Transfer Certificates is greater than 10% of the balance of the Mortgage Portfolio on the Date of Constitution of the Fund.
- d) If, according to the provisions of rule of paragraph c) above, there is to be carried out the repayment of Series B and, if applicable, of Series C on a Payment Date, the Fund Available for Repayment shall be allocated not only to repayment of the Class A Securitisation Bonds, but also to repayment of the Series B Securitisation Bonds and, if applicable, to repayment of the Series C Securitisation Bonds, such that (i) the Outstanding Principal Balance of the Securitisation Bonds of Series B or, of Series C, in relation to (ii) the sum of the Outstanding Principal Balance of the Securitisation Bonds

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of Series A1, A2, A3, B and C are maintained, respectively, at 6.60% or at 8.00% or the closest possible higher percentages. If on a Payment Date the pro rata repayment of Series B and, if appropriate, Series C, is applicable, the Fund Available for Repayment applied to the repayment of Class A Bonds shall be distributed among the various Series of that Class in accordance with the provisions of section b) above.

#### 4.9.3.6 Determination Dates and Determination Periods

These will be the dates on which the Managing Company, 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.

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

Independently of the Fund's obligation, through the Managing Company, to repay the Securitisation Bonds on the Legal Maturity Date of the Fund, or to execute partial repayments on each Payment Date, as detailed above, the Managing Company is authorised to proceed with the Early Liquidation of the Issuer 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.

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

- a) The 3 month Euribor of 3.835% has been used, as at 21 February 2007.
- b) The margins applicable to each Bond Series will be the average margins of the interval established for each Series according to section 4.8.1.b) of this Securities Note 0.04% for Series A1, 0.14% for Series A2, 0.19% for Series A3, 0.30% for Series B, 0.60% for Series C and 4.50% for Series D,
- c) With such Euribor rates, the annual Nominal Interest Rates applicable to the Securitisation Bonds of Series A1, A2, A3, B, C and D, variable quarterly, will remain constant throughout the life of the bonds at the following rates, except for the first Interest Period:

	3 month Euribor	Series A1 Securitisation Bonds	Series A2 Securitisation Bonds	Series A3 Securitisation Bonds	Series B Securitisation Bonds	Series C Securitisation Bonds	Series D Securitisation Bonds
Nominal Interest Rate	3.835%	3.875%	3.975%	4.025%	4.135%	4.435%	8.335%

- d) The nominal interest rates for each Series assumed for the first Interest Period are as follows, obtained with the 4 month Euribor (3.871%) as at 21 February:

	4M/3M Euribor rate interpolated	Series A1 Securitisation Bonds	Series A2 Securitisation Bonds	Series A3 Securitisation Bonds	Series B Securitisation Bonds	Series C Securitisation Bonds	Series D Securitisation Bonds
Nominal Interest Rate	3.871%	3.911%	4.011%	4.061%	4.171%	4.471%	8.731%

- e) average weighted interest rate of the Mortgage Transfer Certificates portfolio: 4.32%;
- f) delinquency for more than thirty (30) days of the Mortgage Transfer Certificates portfolio: 0.29% per annum, assuming a recovery of 100% at 18 months;
- g) defaults of the Mortgage Transfer Certificates portfolio: 0%;

The variables (e) to (g) above and the following CPRs used have been provided by CAIXA CATALUNYA, reasonable for the mortgage loans portfolio.

- h) that the Closing Date of the Securitisation Bonds is 15 March 2007;
- i) that there are no Mortgage Transfer Certificates deriving from First Drawdowns in Forbearance Period;
- j) That CAIXA CATALUNYA will exercise the option of accelerated repayment of the Series D Securitisation Bonds for the amount of the Available Funds which may be allocated in accordance with the Payment Priority Order.

Assuming that the Managing Company proceeds to the Early Liquidation of the Issuer and Early Repayment of the Securitisation Bonds Issue when the Outstanding Balance of the Mortgage Portfolio 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

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the historical performance of the Mortgage Loans granted to natural persons by CAIXA CATALUNYA, would be the following:

<b>A1</b>	<b>10%</b>	<b>12%</b>	<b>14%</b>	<b>16%</b>	<b>18%</b>
Average Life	0,67	0,60	0,55	0,51	0,47
IRR	4,00%	4,00%	4,00%	4,00%	3,99%
Duration	0,64	0,58	0,52	0,49	0,45
Estimated Final Life (in years)	1,09	1,09	0,84	0,84	0,84
<b>A2</b>	<b>10%</b>	<b>12%</b>	<b>14%</b>	<b>16%</b>	<b>18%</b>
Average Life	7,23	6,10	5,16	4,33	3,69
IRR	4,13%	4,13%	4,13%	4,13%	4,12%
Duration	5,66	4,91	4,26	3,67	3,20
Estimated Final Life (in years)	16,59	14,59	13,09	11,59	10,59
<b>A3</b>	<b>10%</b>	<b>12%</b>	<b>14%</b>	<b>16%</b>	<b>18%</b>
Average Life	8,08	8,10	8,21	8,43	8,56
IRR	4,18%	4,18%	4,18%	4,18%	4,18%
Duration	6,62	6,63	6,71	6,85	6,94
Estimated Final Life (in years)	10,34	10,34	10,84	11,59	10,59
<b>B</b>	<b>10%</b>	<b>12%</b>	<b>14%</b>	<b>16%</b>	<b>18%</b>
Average Life	11,26	9,66	8,80	8,20	7,75
IRR	4,29%	4,29%	4,29%	4,29%	4,29%
Duration	8,47	7,50	6,97	6,60	6,31
Estimated Final Life (in years)	16,59	14,59	13,09	11,59	10,59
<b>C</b>	<b>10%</b>	<b>12%</b>	<b>14%</b>	<b>16%</b>	<b>18%</b>
Average Life	11,26	9,66	8,80	8,20	7,75
IRR	4,61%	4,61%	4,61%	4,61%	4,61%
Duration	8,31	7,37	6,86	6,50	6,22
Estimated Final Life (in years)	16,59	14,59	13,09	11,59	10,59
<b>D</b>	<b>10%</b>	<b>12%</b>	<b>14%</b>	<b>16%</b>	<b>18%</b>
Average Life	12,15	10,62	9,45	8,38	7,61
IRR	8,76%	8,76%	8,76%	8,76%	8,76%
Duration	6,78	6,26	5,82	5,38	5,04
Estimated Final Life (in years)	16,59	14,59	13,09	11,59	10,59

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:

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- 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 Securitisation Bonds 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.
- a<sub>j</sub> = Time elapsed (in years) between the Closing Date and each of the relevant Payment Dates.
- VA<sub>j</sub>= 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 when the Outstanding Balance of the Mortgage Transfer Certificates is less than 10% of the initial Outstanding Balance.

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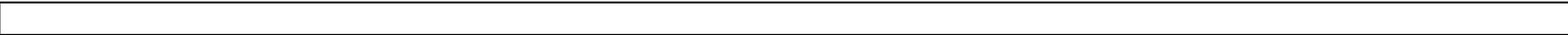
The Managing Company expressly represents that the tables of the financial servicing of each of the Series which appear below are merely theoretical and for illustrative purposes only, and do not represent in any way an obligation to make a payment, noting that:

- The annual 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 annual delinquency entry rate is a constant 0.29% and recovery of 100% is assumed at 18 months.
- The use of the Forbearance Period is estimated at an annual 0.8% of the outstanding balance of the Mortgage Transfer Certificates and its average use is of 4 months.

The variables used have been provided by CAIXA CATALUNYA, reasonable for the mortgage loans portfolio.

- The Outstanding Principal Balance of the Securitisation 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.
- In all cases 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 D 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 Managing Company will carry out the Early Liquidation of the Issuer and therewith proceed to Early Repayment of the Issue of Securitisation Bonds when the Outstanding Balance of the Mortgage Transfer Certificates (without including those Mortgage Transfer Certificates that are more than eighteen (18) months past due and those whose mortgage guarantees have already been enforced) is less than 10% of the initial balance of the Mortgage Transfer Certificates.
- It is assumed that the Conditions for Pro Rate Repayment are fulfilled at a certain date.

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FLOWS FOR EACH NOT WITHOUT WITHOLDING (AMOUNTS IN EUROS) CPRS = 10.00%																			
Payment Date	Notes Series A1 (EUR/BOR +4bps)			Notes Series A2 (EUR/BOR +14bps)			Notes Series A3 (EUR/BOR +19bps)			Notes Series B (EUR/BOR +30bps)			Notes Series C (EUR/BOR +60bps)			Notes Series D (EUR/BOR +450bps)			
	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	
15-Mar-07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
16-Jul-07	31.318	1.324	32.642	-	1.358	1.358	-	1.375	1.375	-	1.413	1.413	-	1.515	1.515	-	2.848	2.848	
15-Oct-07	23.757	679	24.436	-	1.014	1.014	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
15-Jan-08	23.330	446	23.779	-	1.025	1.025	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139	
15-Apr-08	21.595	213	21.809	152	1.014	1.165	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
15-Jul-08	-	-	-	4.017	1.012	5.029	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
15-Oct-08	-	-	-	3.938	982	4.921	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139	
15-Jan-09	-	-	-	3.843	942	4.785	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139	
15-Apr-09	-	-	-	3.667	883	4.550	-	1.015	1.015	-	1.043	1.043	-	1.118	1.118	-	2.093	2.093	
15-Jul-09	-	-	-	3.590	856	4.446	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
15-Oct-09	-	-	-	3.518	828	4.346	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139	
15-Jan-10	-	-	-	3.424	792	4.216	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139	
15-Apr-10	-	-	-	3.268	741	4.008	-	1.015	1.015	-	1.043	1.043	-	1.118	1.118	-	2.093	2.093	
15-Jul-10	-	-	-	3.219	716	3.934	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
15-Oct-10	-	-	-	3.156	691	3.846	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139	
17-Jan-11	-	-	-	3.151	672	3.823	-	1.060	1.060	-	1.089	1.089	-	1.167	1.167	-	2.186	2.186	
15-Jul-11	-	-	-	2.884	599	3.483	-	993	993	-	1.020	1.020	-	1.093	1.093	-	2.046	2.046	
15-Oct-11	-	-	-	2.887	590	3.477	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
17-Oct-11	-	-	-	2.889	579	3.468	-	1.060	1.060	-	1.089	1.089	-	1.167	1.167	-	2.186	2.186	
16-Jan-12	-	-	-	2.653	531	3.184	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
16-Apr-12	-	-	-	2.578	504	3.082	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
16-Jul-12	-	-	-	2.499	478	2.977	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
15-Oct-12	-	-	-	2.422	453	2.874	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	3.196	2.116	5.312	
15-Jan-13	-	-	-	2.021	433	2.455	-	1.038	1.038	3.330	1.066	4.396	3.330	1.143	4.472	3.223	2.071	5.294	
15-Apr-13	-	-	-	1.929	403	2.333	-	1.015	1.015	3.178	1.081	4.259	3.178	1.081	4.259	3.076	1.958	5.035	
15-Jul-13	-	-	-	472	388	860	7.661	1.027	3.106	986	4.092	4.163	3.106	1.057	4.163	3.007	1.915	4.922	
15-Oct-13	-	-	-	462	388	849	7.500	958	8.458	3.041	963	4.005	3.041	1.033	4.074	2.944	1.872	4.816	
15-Jan-14	-	-	-	448	383	831	7.273	880	8.153	2.949	931	3.880	2.949	998	3.947	2.855	1.809	4.664	
15-Apr-14	-	-	-	427	370	797	6.941	787	7.729	2.815	880	3.695	2.815	943	3.758	2.725	1.710	4.434	
15-Jul-14	-	-	-	417	370	787	6.780	725	7.505	2.749	860	3.609	2.749	922	3.671	2.661	1.671	4.332	
15-Oct-14	-	-	-	408	370	778	6.624	663	7.296	2.690	840	3.530	2.690	901	3.591	2.604	1.633	4.236	
15-Jan-15	-	-	-	396	366	761	6.431	594	7.025	2.608	812	3.420	2.608	870	3.478	2.525	1.577	4.101	
15-Apr-15	-	-	-	378	354	732	6.140	516	6.655	2.490	767	3.256	2.490	822	3.312	2.410	1.490	3.900	
15-Jul-15	-	-	-	369	354	723	5.997	458	6.456	2.432	749	3.181	2.432	803	3.235	2.354	1.455	3.809	
15-Oct-15	-	-	-	361	354	715	5.868	401	6.269	2.379	731	3.111	2.379	784	3.163	2.303	1.421	3.724	
15-Jan-16	-	-	-	350	350	700	5.688	340	6.028	2.307	706	3.012	2.307	757	3.063	2.233	1.372	3.604	
15-Apr-16	-	-	-	336	343	679	5.463	278	5.741	2.215	674	2.889	2.215	722	2.938	2.144	1.309	3.454	
15-Jul-16	-	-	-	325	339	665	5.288	222	5.510	2.144	651	2.795	2.144	697	2.842	2.076	1.264	3.340	
17-Oct-16	-	-	-	325	347	672	5.281	173	5.454	2.141	649	2.790	2.141	695	2.837	2.073	1.260	3.333	
16-Jan-17	-	-	-	306	333	638	4.964	113	5.078	2.013	605	2.619	2.013	649	2.662	1.949	1.176	3.125	
17-Apr-17	-	-	-	298	330	628	4.846	63	4.908	1.965	584	2.549	1.965	626	2.591	1.902	1.135	3.037	
17-Jul-17	-	-	-	924	327	1.250	1.246	13	1.258	1.900	564	2.464	1.900	604	2.504	1.739	1.095	2.834	
16-Oct-17	-	-	-	1.116	317	1.433	-	-	-	1.838	543	2.382	-	-	1.838	583	2.421	-	1.058
15-Jan-18	-	-	-	1.082	306	1.388	-	-	-	1.782	524	2.306	-	-	1.782	562	2.343	-	1.058
16-Apr-18	-	-	-	1.056	295	1.351	-	-	-	1.739	505	2.244	-	-	1.739	542	2.280	-	1.058
16-Jul-18	-	-	-	1.017	284	1.302	-	-	-	1.676	487	2.163	-	-	1.676	522	2.198	-	1.058
15-Oct-18	-	-	-	983	274	1.257	-	-	-	1.620	469	2.089	-	-	1.620	503	2.123	-	1.058
15-Jan-19	-	-	-	963	267	1.230	-	-	-	1.586	457	2.044	-	-	1.586	490	2.076	-	1.070
15-Apr-19	-	-	-	920	251	1.171	-	-	-	1.515	431	1.945	-	-	1.515	462	1.976	-	1.046
15-Jul-19	-	-	-	895	245	1.140	-	-	-	1.475	420	1.894	-	-	1.475	450	1.925	-	1.058
15-Oct-19	-	-	-	874	238	1.112	-	-	-	1.439	408	1.847	-	-	1.439	438	1.877	-	1.070
15-Jan-20	-	-	-	845	230	1.075	-	-	-	1.393	393	1.786	-	-	1.393	421	1.814	-	1.070
15-Apr-20	-	-	-	811	218	1.030	-	-	-	1.337	374	1.711	-	-	1.337	401	1.738	-	1.058
15-Jul-20	-	-	-	784	210	995	-	-	-	1.292	360	1.652	-	-	1.292	386	1.678	-	1.058
15-Oct-20	-	-	-	766	204	970	-	-	-	1.262	350	1.612	-	-	1.262	375	1.637	-	1.070
15-Jan-21	-	-	-	743	197	939	-	-	-	1.223	337	1.560	-	-	1.223	361	1.584	-	1.070
15-Apr-21	-	-	-	709	185	894	-	-	-	1.167	317	1.484	-	-	1.167	339	1.507	-	1.046
15-Jul-21	-	-	-	689	180	869	-	-	-	1.135	308	1.443	-	-	1.135	330	1.465	-	1.058
15-Oct-21	-	-	-	671	175	846	-	-	-	1.106	299	1.405	-	-	1.106	321	1.426	-	1.070
17-Jan-22	-	-	-	663	171	835	-	-	-	1.092	294	1.386	-	-	1.092	315	1.407	-	1.093
15-Apr-22	-	-	-	656	154	810	-	-	-	1.066	284	1.363	-	-	1.066	306	1.386	-	1.023
15-Jul-22	-	-	-	604	153	757	-	-	-	994	262	1.256	-	-	994	281	1.275	-	1.058
17-Oct-22	-	-	-	601	152	753	-	-	-	990	260	1.250	-	-	990	279	1.269	-	1.093
16-Jan-23	-	-	-	563	141	704	-	-	-	927	241	1.169	-	-	927	259	1.186	-	1.058
17-Apr-23	-	-	-	530	135	665	-	-	-	906	232	1.137	-	-	906	248	1.154	-	1.058
17-Jul-23	-	-	-	528	130	658	-	-	-	870	222	1.092	-	-	870	238	1.108	-	1.058
16-Oct-23	-	-	-	12.256	124	12.380	-	-	-	-	-	-	-	-	-	-	-	-	-
15-Jan-24	-	-	-	-	-	-	-	-	-	20.187	213	20.400	-	-	20.187	228	20.415	-	51.058
	<b>100.000</b>	<b>2.665</b>	<b>102.665</b>	<b>100.000</b>	<b>29.398</b>	<b>129.398</b>	<b>100.000</b>	<b>33.276</b>	<b>133.276</b>	<b>100.000</b>	<b>47.632</b>	<b>147.632</b>	<b>100.000</b>	<b>51.059</b>	<b>151.059</b>	<b>100.000</b>	<b>103.171</b>	<b>203.171</b>	

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FLOWS FOR EACH NOT WITHOUT WITHOLDING (AMOUNTS IN EUROS) CPRS = 12,00%																		
Payment Date	Notes Series A1 (EURIBOR +4bps)			Notes Series A2 (EURIBOR +14bps)			Notes Series A3 (EURIBOR +19bps)			Notes Series B (EURIBOR +30bps)			Notes Series C (EURIBOR +60bps)			Notes Series D (EURIBOR +450bps)		
	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total
15-Mar-07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16-Jul-07	36.788	1.324	38.112	-	1.358	1.358	-	1.375	1.375	-	1.413	1.413	-	1.515	1.515	-	2.848	2.848
15-Oct-07	27.720	625	28.345	-	1.014	1.014	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116
15-Jan-08	27.058	355	27.413	-	1.025	1.025	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139
15-Apr-08	8.434	83	8.517	3.212	1.014	4.226	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116
15-Jul-08	-	-	-	4.602	981	5.583	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116
15-Oct-08	-	-	-	4.485	945	5.430	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139
15-Jan-09	-	-	-	4.350	899	5.249	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139
15-Apr-09	-	-	-	4.123	836	4.958	-	1.015	1.015	-	1.043	1.043	-	1.118	1.118	-	2.093	2.093
15-Jul-09	-	-	-	4.014	803	4.817	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116
15-Oct-09	-	-	-	3.910	771	4.681	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139
15-Jan-10	-	-	-	3.782	731	4.512	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139
15-Apr-10	-	-	-	3.584	677	4.261	-	1.015	1.015	-	1.043	1.043	-	1.118	1.118	-	2.093	2.093
15-Jul-10	-	-	-	3.509	640	4.157	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116
15-Oct-10	-	-	-	3.420	619	4.040	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139
17-Jan-11	-	-	-	3.392	597	3.989	-	1.060	1.060	-	1.089	1.089	-	1.167	1.167	-	2.186	2.186
15-Apr-11	-	-	-	3.084	526	3.610	-	993	993	-	1.020	1.020	-	1.093	1.093	-	2.046	2.046
15-Jul-11	-	-	-	3.071	512	3.583	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116
17-Oct-11	-	-	-	3.055	497	3.552	-	1.060	1.060	-	1.089	1.089	-	1.167	1.167	-	2.186	2.455
16-Jan-12	-	-	-	2.383	450	2.833	-	1.027	1.027	3.790	1.054	4.844	3.790	1.130	4.920	3.780	2.110	5.890
16-Apr-12	-	-	-	2.300	426	2.726	-	1.027	1.027	3.658	1.014	4.672	3.658	1.087	4.745	3.648	2.030	5.678
16-Jul-12	-	-	-	2.217	403	2.619	-	1.027	1.027	3.525	976	4.501	3.525	1.046	4.571	3.516	1.953	5.469
15-Oct-12	-	-	-	2.135	380	2.516	-	1.027	1.027	3.396	939	4.335	3.396	1.006	4.403	3.387	1.879	5.266
15-Jan-13	-	-	-	2.087	363	2.449	-	1.038	1.038	3.319	913	4.231	3.319	978	4.297	3.310	1.827	5.137
15-Apr-13	-	-	-	1.978	334	2.312	-	1.015	1.015	3.146	888	4.004	3.146	920	4.066	3.137	1.718	4.855
15-Jul-13	-	-	-	481	317	798	7.810	1.027	8.837	3.058	835	3.893	3.058	895	3.953	3.050	1.671	4.720
15-Oct-13	-	-	-	468	316	784	7.601	957	8.558	2.976	811	3.787	2.976	870	3.846	2.968	1.624	4.592
15-Jan-14	-	-	-	451	311	762	7.326	878	8.203	2.868	780	3.648	2.868	836	3.704	2.861	1.560	4.421
15-Apr-14	-	-	-	427	300	727	6.943	784	7.728	2.719	733	3.451	2.719	785	3.504	2.711	1.466	4.178
15-Jul-14	-	-	-	415	299	714	6.744	722	7.466	2.641	712	3.353	2.641	763	3.404	2.634	1.425	4.059
15-Oct-14	-	-	-	404	298	702	6.560	660	7.220	2.569	692	3.261	2.569	742	3.310	2.562	1.385	3.947
15-Jan-15	-	-	-	389	294	683	6.321	592	6.913	2.475	664	3.140	2.475	712	3.187	2.468	1.330	3.798
15-Apr-15	-	-	-	369	284	652	5.992	515	6.507	2.346	624	2.970	2.346	669	3.015	2.340	1.249	3.589
15-Jul-15	-	-	-	358	283	641	5.821	459	6.279	2.279	606	2.885	2.279	650	2.929	2.273	1.214	3.487
15-Oct-15	-	-	-	348	282	631	5.661	404	6.064	2.217	589	2.805	2.217	631	2.848	2.211	1.178	3.389
15-Jan-16	-	-	-	336	279	614	5.453	345	5.798	2.135	565	2.700	2.135	606	2.741	2.130	1.131	3.261
15-Apr-16	-	-	-	320	272	593	5.202	285	5.487	2.037	536	2.573	2.037	575	2.612	2.037	1.074	3.139
15-Jul-16	-	-	-	308	269	577	5.005	232	5.237	1.960	515	2.475	1.960	552	2.512	1.960	1.038	3.020
17-Oct-16	-	-	-	306	275	581	4.969	186	5.155	1.946	511	2.456	1.946	547	2.493	-	1.093	3.020
16-Jan-17	-	-	-	286	263	549	4.642	129	4.771	1.818	474	2.291	1.818	508	2.326	-	1.058	3.020
17-Apr-17	-	-	-	277	260	537	4.499	82	4.580	1.762	455	2.216	1.762	487	2.249	-	1.058	3.020
17-Jul-17	-	-	-	258	257	515	4.285	35	4.345	1.693	436	2.129	1.693	467	2.161	-	1.058	3.020
16-Oct-17	-	-	-	1.024	253	1.277	-	-	-	1.628	418	2.046	1.628	448	2.077	-	1.058	3.020
15-Jan-18	-	-	-	986	242	1.229	-	-	-	1.568	401	1.969	1.568	430	1.998	-	1.058	3.020
16-Apr-18	-	-	-	955	232	1.188	-	-	-	1.519	385	1.904	1.519	412	1.932	-	1.058	3.020
16-Jul-18	-	-	-	916	223	1.138	-	-	-	1.456	369	1.825	1.456	395	1.851	-	1.058	3.020
15-Oct-18	-	-	-	880	214	1.093	-	-	-	1.399	353	1.752	1.399	379	1.778	-	1.058	3.020
15-Jan-19	-	-	-	856	207	1.063	-	-	-	1.362	342	1.704	1.362	367	1.728	-	1.070	3.020
15-Apr-19	-	-	-	811	194	1.005	-	-	-	1.291	320	1.611	1.291	344	1.634	-	1.046	3.020
15-Jul-19	-	-	-	786	188	973	-	-	-	1.250	310	1.560	1.250	333	1.582	-	1.058	3.020
15-Oct-19	-	-	-	762	182	944	-	-	-	1.212	301	1.513	1.212	322	1.534	-	1.070	3.020
15-Jan-20	-	-	-	733	174	907	-	-	-	1.165	288	1.453	1.165	308	1.474	-	1.070	3.020
15-Apr-20	-	-	-	698	165	863	-	-	-	1.111	272	1.383	1.111	292	1.403	-	1.058	3.020
15-Jul-20	-	-	-	671	157	828	-	-	-	1.067	260	1.328	1.067	279	1.346	-	1.058	3.020
15-Oct-20	-	-	-	651	152	803	-	-	-	1.036	252	1.288	1.036	270	1.306	-	1.070	3.020
15-Jan-21	-	-	-	627	146	773	-	-	-	998	241	1.239	998	258	1.256	-	1.070	3.020
15-Apr-21	-	-	-	594	136	731	-	-	-	945	225	1.171	945	241	1.187	-	1.046	3.020
15-Jul-21	-	-	-	575	132	706	-	-	-	914	218	1.132	914	233	1.147	-	1.058	3.020
15-Oct-21	-	-	-	12.415	127	12.543	-	-	-	19.746	210	19.957	19.746	226	19.972	50.000	1.070	51.070
17-Jan-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	100.000	2.387	102.387	100.000	24.793	124.793	100.000	33.354	133.354	100.000	40.875	140.875	100.000	43.816	143.816	100.000	90.165	190.165

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FLOWS FOR EACH NOT WITHOUT WITHHOLDING (AMOUNTS IN EUROS) CPRS = 14.00%																			
Payment Date	Notes Series A1 (EURIBOR +4bps)			Notes Series A2 (EURIBOR +14bps)			Notes Series A3 (EURIBOR +19bps)			Notes Series B (EURIBOR +30bps)			Notes Series C (EURIBOR +60bps)			Notes Series D (EURIBOR +450bps)			
	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	
15-Mar-07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
16-Jul-07	42.344	1.324	43.668	-	1.358	1.358	-	1.375	1.375	-	1.413	1.413	-	1.515	1.515	-	2.848	2.848	
15-Oct-07	31.691	570	32.261	-	1.014	1.014	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
15-Jan-08	25.865	260	26.225	883	1.025	1.908	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139	
15-Apr-08	-	-	-	5.385	1.005	6.390	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
15-Jul-08	-	-	-	5.165	950	6.115	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
15-Oct-08	-	-	-	5.005	908	5.913	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139	
15-Jan-09	-	-	-	4.823	857	5.680	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139	
15-Apr-09	-	-	-	4.541	790	5.331	-	1.015	1.015	-	1.043	1.043	-	1.118	1.118	-	2.093	2.093	
15-Jul-09	-	-	-	4.396	752	5.148	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
15-Oct-09	-	-	-	4.257	715	4.972	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139	
15-Jan-10	-	-	-	4.091	672	4.763	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139	
15-Apr-10	-	-	-	3.852	616	4.468	-	1.015	1.015	-	1.043	1.043	-	1.118	1.118	-	2.093	2.093	
15-Jul-10	-	-	-	3.748	584	4.332	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
15-Oct-10	-	-	-	3.632	552	4.184	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139	
17-Jan-11	-	-	-	3.579	526	4.105	-	1.060	1.060	-	1.089	1.089	-	1.167	1.167	-	2.186	2.186	
15-Apr-11	-	-	-	3.232	457	3.690	-	993	993	-	1.020	1.020	-	1.093	1.093	1.623	2.046	3.669	
15-Jul-11	-	-	-	2.726	440	3.166	-	1.027	1.027	4.405	1.054	5.459	-	1.130	1.130	5.535	2.082	6.415	
17-Oct-11	-	-	-	2.695	426	3.122	-	1.060	1.060	4.356	1.041	5.398	-	1.116	1.116	5.472	4.286	2.056	6.341
16-Jan-12	-	-	-	2.450	385	2.835	-	1.027	1.027	3.960	962	4.922	-	3.960	1.031	4.991	3.895	1.899	5.795
16-Apr-12	-	-	-	2.349	360	2.710	-	1.027	1.027	3.797	920	4.717	-	986	4.783	3.735	1.817	5.552	5.552
16-Jul-12	-	-	-	2.251	337	2.587	-	1.027	1.027	3.638	880	4.518	-	943	4.581	3.579	1.738	5.316	5.316
15-Oct-12	-	-	-	2.156	314	2.469	-	1.027	1.027	3.484	842	4.326	-	3.484	902	4.386	3.427	1.662	5.089
15-Jan-13	-	-	-	2.094	295	2.389	-	1.038	1.038	3.384	814	4.198	-	3.384	872	4.256	3.329	1.607	4.936
15-Apr-13	-	-	-	1.971	268	2.239	-	1.015	1.015	3.186	761	3.947	-	3.186	816	4.002	3.134	1.502	4.637
15-Jul-13	-	-	-	476	251	727	7.740	1.027	8.766	3.079	736	3.815	3.079	789	3.868	3.029	1.453	4.482	4.482
15-Oct-13	-	-	-	461	248	709	7.487	957	8.445	2.979	711	3.690	2.979	762	3.741	2.931	1.404	4.335	4.335
15-Jan-14	-	-	-	441	244	685	7.172	880	8.052	2.854	679	3.533	2.854	728	3.582	2.807	1.341	4.148	4.148
15-Apr-14	-	-	-	416	234	650	6.752	788	7.539	2.686	635	3.321	2.686	680	3.367	2.643	1.253	3.896	3.896
15-Jul-14	-	-	-	401	232	634	6.521	727	7.249	2.595	614	3.208	2.595	658	3.252	2.553	1.211	3.764	3.764
15-Oct-14	-	-	-	388	231	619	6.306	668	6.973	2.509	593	3.102	2.509	635	3.144	2.468	1.170	3.638	3.638
15-Jan-15	-	-	-	372	227	599	6.038	602	6.640	2.403	566	2.968	2.403	607	3.009	2.227	1.117	3.344	3.344
15-Apr-15	-	-	-	350	218	568	5.685	528	6.213	2.262	529	2.790	2.262	567	2.828	-	1.046	3.046	3.046
15-Jul-15	-	-	-	338	217	555	5.491	475	5.966	2.185	511	2.605	2.185	567	2.732	-	1.058	2.816	2.816
15-Oct-15	-	-	-	327	216	543	5.308	424	5.732	2.112	493	2.605	2.112	528	2.640	-	1.070	2.640	2.640
15-Jan-16	-	-	-	313	213	525	5.082	368	5.450	2.022	470	2.492	2.022	504	2.526	-	1.070	2.526	2.526
15-Apr-16	-	-	-	296	207	504	4.815	312	5.128	1.916	444	2.360	1.916	476	2.392	-	1.058	2.392	2.392
15-Jul-16	-	-	-	283	204	488	4.606	263	4.868	1.832	424	2.256	1.832	454	2.287	-	1.058	2.287	2.287
17-Oct-16	-	-	-	280	208	488	4.544	223	4.767	1.808	418	2.226	1.808	448	2.256	-	1.093	2.256	2.256
16-Jan-17	-	-	-	260	198	458	4.219	169	4.388	1.679	385	2.064	1.679	413	2.092	-	1.058	2.092	2.092
17-Apr-17	-	-	-	250	196	446	4.061	126	4.186	1.616	368	1.983	1.616	394	2.010	-	1.058	2.010	2.010
17-Jul-17	-	-	-	239	193	432	3.880	84	3.964	1.544	351	1.894	1.544	376	1.919	-	1.058	1.919	1.919
16-Oct-17	-	-	-	228	191	419	3.708	44	3.752	1.475	334	1.810	1.475	358	1.834	-	1.058	1.834	1.834
15-Jan-18	-	-	-	765	189	954	985	6	991	1.412	319	1.731	1.412	342	1.754	-	1.058	1.754	1.754
16-Apr-18	-	-	-	841	181	1.022	-	-	-	1.359	304	1.663	1.359	326	1.684	-	1.058	1.684	1.684
16-Jul-18	-	-	-	801	172	973	-	-	-	1.295	290	1.584	1.295	310	1.605	-	1.058	1.605	1.605
15-Oct-18	-	-	-	765	164	929	-	-	-	1.236	276	1.512	1.236	296	1.532	-	1.058	1.532	1.532
15-Jan-19	-	-	-	740	158	898	-	-	-	1.196	266	1.461	1.196	285	1.481	-	1.070	1.481	1.481
15-Apr-19	-	-	-	696	147	844	-	-	-	1.125	248	1.373	1.125	265	1.391	-	1.046	1.391	1.391
15-Jul-19	-	-	-	670	142	812	-	-	-	1.083	238	1.322	1.083	256	1.339	-	1.058	1.339	1.339
15-Oct-19	-	-	-	646	137	783	-	-	-	1.045	229	1.274	1.045	246	1.291	-	1.070	1.291	1.291
15-Jan-20	-	-	-	618	130	747	-	-	-	998	218	1.216	-	998	234	1.232	-	1.070	1.232
15-Apr-20	-	-	-	12.057	122	12.179	-	-	-	19.487	205	19.692	-	19.487	220	19.707	50.000	1.058	51.058
15-Jul-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	100.000	2.153	102.153	100.000	21.077	121.077	100.000	33.734	133.734	100.000	36.401	136.401	100.000	39.020	139.020	100.000	80.281	180.281	180.281

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FLOWS FOR EACH NOT WITHOUT WITHOLDING (AMOUNTS IN EUROS) CPRS = 16.00%																			
Payment Date	Notes Series A1 (EURIBOR +4bps)			Notes Series A2 (EURIBOR +14bps)			Notes Series A3 (EURIBOR +19bps)			Notes Series B (EURIBOR +30bps)			Notes Series C (EURIBOR +60bps)			Notes Series D (EURIBOR +450bps)			
	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	
15-Mar-07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
16-Jul-07	47.989	1.324	49.313	-	1.358	1.358	-	1.375	1.375	-	1.413	1.413	-	1.515	1.515	-	2.848	2.848	
15-Oct-07	35.669	514	36.183	-	1.014	1.014	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
15-Jan-08	16.342	163	16.505	3.333	1.025	4.358	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139	
15-Apr-08	-	-	-	5.986	980	6.966	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
15-Jul-08	-	-	-	5.707	919	6.626	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
15-Oct-08	-	-	-	5.497	871	6.368	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139	
15-Jan-09	-	-	-	5.264	815	6.078	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139	
15-Apr-09	-	-	-	4.924	744	5.668	-	1.015	1.015	-	1.043	1.043	-	1.118	1.118	-	2.093	2.093	
15-Jul-09	-	-	-	4.739	703	5.441	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
15-Oct-09	-	-	-	4.561	662	5.223	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139	
15-Jan-10	-	-	-	4.356	615	4.971	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139	
15-Apr-10	-	-	-	4.074	558	4.632	-	1.015	1.015	-	1.043	1.043	-	1.118	1.118	-	2.093	2.093	
15-Jul-10	-	-	-	3.940	523	4.463	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116	
15-Oct-10	-	-	-	3.795	488	4.283	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	1.061	2.139	3.200	
17-Jan-11	-	-	-	3.167	459	3.626	-	1.060	1.060	5.085	1.089	6.174	5.085	1.167	6.252	5.031	2.163	7.193	
15-Apr-11	-	-	-	2.842	399	3.241	-	993	993	4.562	968	5.530	4.562	1.037	5.600	4.514	1.922	6.436	
15-Jul-11	-	-	-	2.798	383	3.181	-	1.027	1.027	4.492	953	5.445	4.492	1.021	5.513	4.444	1.892	6.336	
17-Oct-11	-	-	-	2.751	367	3.117	-	1.060	1.060	4.416	935	5.351	4.416	1.002	5.418	4.369	1.857	6.226	
16-Jan-12	-	-	-	2.486	327	2.813	-	1.027	1.027	3.990	859	4.849	3.990	920	4.911	3.948	1.705	5.653	
16-Apr-12	-	-	-	2.368	302	2.670	-	1.027	1.027	3.802	817	4.618	3.802	875	4.677	3.761	1.622	5.383	
16-Jul-12	-	-	-	2.255	278	2.533	-	1.027	1.027	3.620	777	4.397	3.620	832	4.453	3.582	1.542	5.124	
15-Oct-12	-	-	-	2.147	255	2.402	-	1.027	1.027	3.446	738	4.185	3.446	791	4.238	3.410	1.466	4.876	
15-Jan-13	-	-	-	2.072	236	2.308	-	1.038	1.038	3.327	710	4.037	3.327	761	4.088	3.291	1.409	4.701	
15-Apr-13	-	-	-	1.938	210	2.148	-	1.015	1.015	3.112	660	3.771	3.112	707	3.819	3.079	1.310	4.388	
15-Jul-13	-	-	-	466	193	658	-	1.027	1.027	8.592	2.990	634	3.624	2.990	680	3.670	1.259	4.218	
15-Oct-13	-	-	-	448	190	638	-	7.275	959	8.234	2.875	609	3.485	2.875	653	3.528	2.845	4.055	
15-Jan-14	-	-	-	426	185	612	-	6.925	884	7.809	2.737	579	3.316	620	3.357	2.708	1.149	3.857	
15-Apr-14	-	-	-	399	177	576	-	6.476	794	7.270	2.560	537	3.097	2.560	576	3.136	998	2.066	
15-Jul-14	-	-	-	383	175	558	-	6.219	737	6.956	2.458	516	2.974	2.458	554	3.012	-	1.958	
15-Oct-14	-	-	-	368	173	541	-	5.977	680	6.657	2.362	496	2.858	2.362	532	2.894	-	1.870	
15-Jan-15	-	-	-	350	169	519	-	5.688	618	6.306	2.248	471	2.719	2.248	505	2.753	-	1.770	
15-Apr-15	-	-	-	327	162	489	-	5.319	547	5.866	2.102	437	2.539	2.102	469	2.571	-	1.646	
15-Jul-15	-	-	-	314	161	475	-	5.108	498	5.606	2.019	420	2.438	2.019	450	2.469	-	1.558	
15-Oct-15	-	-	-	302	159	461	-	4.908	451	5.359	1.940	403	2.343	1.940	432	2.372	-	1.470	
15-Jan-16	-	-	-	287	156	443	-	4.669	400	5.069	1.845	382	2.228	1.845	410	2.255	-	1.370	
15-Apr-16	-	-	-	270	151	422	-	4.395	348	4.743	1.737	359	2.096	1.737	384	2.121	-	1.270	
15-Jul-16	-	-	-	257	149	406	-	4.178	303	4.481	1.651	340	1.992	1.651	365	2.016	-	1.170	
17-Oct-16	-	-	-	252	151	403	-	4.097	268	4.366	1.619	334	1.953	1.619	358	1.977	-	1.093	
16-Jan-17	-	-	-	233	143	376	-	3.780	218	3.998	1.494	306	1.800	1.494	328	1.822	-	1.058	
17-Apr-17	-	-	-	222	141	364	-	3.613	179	3.792	1.428	290	1.718	1.428	311	1.739	-	1.058	
17-Jul-17	-	-	-	211	139	350	-	3.431	142	3.573	1.356	275	1.631	1.356	295	1.651	-	1.058	
16-Oct-17	-	-	-	201	137	337	-	3.260	107	3.366	1.288	261	1.549	1.288	279	1.568	-	1.058	
15-Jan-18	-	-	-	191	135	326	-	3.100	73	3.173	1.225	247	1.472	1.225	265	1.490	-	1.058	
16-Apr-18	-	-	-	182	133	315	-	2.962	41	3.004	1.171	234	1.405	1.171	251	1.422	-	1.058	
16-Jul-18	-	-	-	496	131	627	-	1.053	11	1.064	1.109	222	1.331	1.109	238	1.347	-	1.058	
15-Oct-18	-	-	-	12.415	126	12.541	-	-	-	-	19.932	210	20.142	19.932	225	20.157	50.000	1.058	51.058
15-Jan-19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>100.000</b>	<b>2.001</b>	<b>102.001</b>	<b>100.000</b>	<b>17.926</b>	<b>117.926</b>	<b>100.000</b>	<b>34.348</b>	<b>134.348</b>	<b>100.000</b>	<b>32.232</b>	<b>132.232</b>	<b>100.000</b>	<b>34.551</b>	<b>134.551</b>	<b>100.000</b>	<b>71.134</b>	<b>171.134</b>	

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FLOWS FOR EACH NOT WITHOUT WITHOLDING (AMOUNTS IN EUROS) CPRS = 18.00%																		
Payment Date	Notes Series A1 (EURIBOR +4bps)			Notes Series A2 (EURIBOR +14bps)			Notes Series A3 (EURIBOR +19bps)			Notes Series B (EURIBOR +30bps)			Notes Series C (EURIBOR +60bps)			Notes Series D (EURIBOR +450bps)		
	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total	Principal	Interest (Brut)	Flows Total
15-Mar-07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16-Jul-07	53.726	1.324	55.050	-	1.358	1.358	-	1.375	1.375	-	1.413	1.413	-	1.515	1.515	-	2.848	2.848
15-Oct-07	39.655	457	40.112	-	1.014	1.014	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116
15-Jan-08	6.619	66	6.685	5.794	1.025	6.819	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139
15-Apr-08	-	-	-	6.571	955	7.526	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116
15-Jul-08	-	-	-	6.226	889	7.115	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116
15-Oct-08	-	-	-	5.961	834	6.795	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139
15-Jan-09	-	-	-	5.672	773	6.445	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139
15-Apr-09	-	-	-	5.271	700	5.971	-	1.015	1.015	-	1.043	1.043	-	1.118	1.118	-	2.093	2.093
15-Jul-09	-	-	-	5.043	654	5.697	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	-	2.116	2.116
15-Oct-09	-	-	-	4.824	610	5.433	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139
15-Jan-10	-	-	-	4.577	560	5.137	-	1.038	1.038	-	1.066	1.066	-	1.143	1.143	-	2.139	2.139
15-Apr-10	-	-	-	4.253	502	4.755	-	1.015	1.015	-	1.043	1.043	-	1.118	1.118	-	2.093	2.093
15-Jul-10	-	-	-	4.087	464	4.552	-	1.027	1.027	-	1.054	1.054	-	1.130	1.130	3.909	2.116	6.025
15-Oct-10	-	-	-	3.318	428	3.746	-	1.038	1.038	5.513	6.579	5.513	5.513	6.656	5.298	2.056	7.354	9.410
17-Jan-11	-	-	-	3.228	402	3.630	-	1.060	1.060	5.363	6.392	5.363	5.363	6.466	5.154	1.985	7.138	9.123
15-Apr-11	-	-	-	2.878	345	3.223	-	993	993	4.781	5.690	4.781	4.781	5.755	4.594	1.752	6.347	8.099
15-Jul-11	-	-	-	2.817	327	3.144	-	1.027	1.027	4.680	5.570	4.680	4.680	5.634	4.497	1.715	6.212	7.929
17-Oct-11	-	-	-	2.752	309	3.061	-	1.060	1.060	4.573	5.441	4.573	4.573	5.503	4.394	1.673	6.068	7.741
16-Jan-12	-	-	-	2.472	271	2.743	-	1.027	1.027	4.107	4.898	4.107	4.107	4.955	3.946	1.527	5.473	6.999
16-Apr-12	-	-	-	2.340	246	2.585	-	1.027	1.027	3.887	4.748	3.887	3.887	4.689	3.735	1.443	5.179	6.622
16-Jul-12	-	-	-	2.214	222	2.436	-	1.027	1.027	3.679	4.386	3.679	3.679	4.437	3.535	1.364	4.899	6.263
15-Oct-12	-	-	-	2.095	200	2.295	-	1.027	1.027	3.481	4.150	3.481	3.481	4.198	3.345	1.289	4.634	5.923
15-Jan-13	-	-	-	2.010	180	2.190	-	1.038	1.038	3.339	3.978	3.339	3.339	4.024	3.209	1.232	4.441	5.673
15-Apr-13	-	-	-	1.867	156	2.024	-	1.015	1.015	3.103	3.693	3.103	3.103	3.735	2.981	1.138	4.119	5.257
15-Jul-13	-	-	-	446	139	585	7.246	1.027	8.272	2.964	5.64	3.528	2.964	605	3.568	1.402	1.088	2.490
15-Oct-13	-	-	-	426	136	562	6.925	963	7.887	2.832	539	3.371	2.832	577	3.410	-	1.070	1.070
15-Jan-14	-	-	-	403	132	535	6.550	891	7.441	2.679	508	3.188	2.679	545	3.234	-	1.070	1.070
15-Apr-14	-	-	-	374	125	499	6.085	805	6.889	2.489	469	2.958	2.489	503	2.992	-	1.046	1.046
15-Jul-14	-	-	-	357	122	480	5.809	751	6.560	2.376	448	2.824	2.376	481	2.857	-	1.058	1.058
15-Oct-14	-	-	-	341	120	462	5.548	699	6.248	2.270	428	2.698	2.270	459	2.728	-	1.070	1.070
15-Jan-15	-	-	-	323	117	440	5.246	642	5.888	2.146	404	2.550	2.146	433	2.579	-	1.070	1.070
15-Apr-15	-	-	-	300	111	411	4.873	575	5.448	1.993	373	2.366	1.993	399	2.393	-	1.046	1.046
15-Jul-15	-	-	-	286	109	395	4.652	531	5.183	1.903	356	2.258	1.903	381	2.284	-	1.058	1.058
15-Oct-15	-	-	-	273	107	381	4.442	488	4.930	1.817	339	2.156	1.817	364	2.181	-	1.070	1.070
15-Jan-16	-	-	-	258	105	363	4.199	442	4.641	1.718	320	2.038	1.718	343	2.061	-	1.070	1.070
15-Apr-16	-	-	-	242	101	342	3.926	394	4.321	1.606	298	1.905	1.606	320	1.926	-	1.058	1.058
15-Jul-16	-	-	-	228	98	327	3.710	354	4.064	1.517	282	1.799	1.517	302	1.819	-	1.058	1.058
17-Oct-16	-	-	-	223	99	322	3.615	326	3.942	1.479	274	1.753	1.479	294	1.773	-	1.093	1.093
16-Jan-17	-	-	-	204	94	298	3.314	279	3.593	1.356	250	1.606	1.356	268	1.624	-	1.058	1.058
17-Apr-17	-	-	-	194	92	285	3.146	245	3.391	1.287	236	1.523	1.287	253	1.540	-	1.058	1.058
17-Jul-17	-	-	-	183	90	273	2.970	213	3.182	1.215	222	1.437	1.215	238	1.453	-	1.058	1.058
16-Oct-17	-	-	-	-	88	8.756	17.744	182	17.926	19.847	209	20.056	19.847	224	20.071	50.000	1.058	51.058
15-Jan-18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>100.000</b>	<b>1.848</b>	<b>101.848</b>	<b>100.000</b>	<b>15.410</b>	<b>115.410</b>	<b>100.000</b>	<b>34.872</b>	<b>134.872</b>	<b>100.000</b>	<b>29.525</b>	<b>129.525</b>	<b>100.000</b>	<b>31.649</b>	<b>131.649</b>	<b>100.000</b>	<b>64.639</b>	<b>164.639</b>

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#### 4.11 Bondholder representation.

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

#### 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 16 January 2007, to authorise the transfer of the first drawdowns on mortgage 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., S.G.F.T. in their meeting of 5 February 2007, resolved the establishment of HIPOCAT 11, 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.

##### 4.12.1.3 Registration by the CNMV.

This Prospectus (Registration Document, Securities Note and Additional Building Block) regarding the establishment of the Issuer and the issue of the Securitisation Bonds has been registered by the CNMV in its official registers on 6 March 2007.

##### 4.12.1.4 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 Managing Company, together with CAIXA CATALUNYA, as issuing entity for the Mortgage Transfer Certificates to be subscribed by the Issuer, will execute 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 third Business Day subsequent to the date of registration of this Prospectus, i.e. 7 March 2007. 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 12 March 2007 (“**Subscription Period**”).

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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 Managing Company 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.

All processing by an Underwriter and Distributor of a subscription application will imply confirmation by the said entity that it has complied with due diligence with the rules applicable in Spain or in any other applicable legislation in relation to money laundering, in respect of the subscription, redemption, payment of coupons and any other acts or transactions relating to the placement of the Bonds in Spain or in any other jurisdiction; and that it has verified with due diligence that the investor has been duly identified, including the identifications required by the applicable anti-money laundering regulations.

Payment for the Securitisation Bonds is on 15 March 2007 ("**Closing Date**") at an issue price of 100% of the nominal unit value.

On the Closing Date each Underwriter and Distributor 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 Distributor will be made before 14:00 hours, Madrid time, on the Closing Date, by each Underwriter and Distributor 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 ADMISSION TO TRADING AND LISTING ARRANGEMENTS**

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

The Managing Company, for and on behalf of the Issuer, will apply to have the Issue listed on the AIAF Fixed Income Market ("**AIAF**") 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 Managing Company 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 Managing Company.

The Managing Company, 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 already in force or to be approved in the future by IBERCLEAR.

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The Managing Company hereby declares that it is aware of the requirements and conditions necessary for the listing, maintaining of and delisting of securities on the AIAF, 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, 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 Managing Company, 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:

- (i) 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.
- (ii) 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.
- (iii) To deliver to the Managing Company 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.
- (iv) 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.
- (v) On each Interest Determination Date, to communicate to the Managing Company 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 Managing Company, 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, FITCH 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 Managing Company 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.

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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 0.025%, 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 EXPENSES 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 Building Block. 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	39,813'66
Supervision of the listing process by the CNMV	9,180
Fee for listing on the AIAF Fixed Income Market	52,200
Inclusion of the issue in the book entry system, IBERCLEAR	4,060
<b><i>Subtotal (listing expenses)</i></b>	<b>105,253</b>
Audit fees	29,000
Rating agencies fees	371,200
Notary fees, audit fees, rating, legal advice, advertising of the issue, printing and others	685,325
Underwriting and placement fees for the Issue of the Securitisation Bonds (maximum).	880,000
<b>Total expenses</b>	<b>2,070,778'66</b>

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

Additionally to the expenses of the offer and of the admission afore mentioned, the Issuer, on account of Free Reserves and according to the Order of Priority of Payments, will pay the ordinary and extraordinary expenses of the Issuer. The estimated amount of the ordinary expenses during the first year of the Issuer is 568,304 euros. The annual amount of the afore mentioned ordinary expenses is expected to have a descendent progress along the Issuer life, caused by the circumstance that the amount of certain of those afore mentioned expenses are fixed as a percentage of the "Outstanding Balance of the Bond Series", that, according to the operation structure, will descend along the time.

## 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.

- (i) JPMorgan, IXIS CIB, UBS and CAIXA CATALUNYA have acted as Lead Managers in accordance with article 35.1 of Royal Decree 1310/2005.

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In relation to their functions as Lead Managers, JPMorgan, IXIS CIB, UBS 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, JPMorgan, as Lead Manager, jointly with the Managing Company, have carried out the financial structuring of the Issuer and of the Securitisation Bond Issue.

- (ii) J&A GARRIGUES S.L., as independent advisor, has provided legal advice for the operation and reviewed the tax implications.
- (iii) Deloitte has audited the verification of a series of attributes of the selection of the mortgage loan portfolio 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 Building Block.

## 7.4 Information from third parties.

Within its function to check the information contained in the Prospectus, the Managing Company 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 Building Block, 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 Managing Company the compliance of said characteristics on the date of establishment.

The Managing Company has reproduced exactly the information received from CAIXA CATALUNYA on the Mortgage Loans and the Mortgage transfer Certificates, which are described in section 2.2 of the Additional Building Block, 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**”):

	<b>Fitch</b>	<b>Moody’s</b>	<b>S&amp;P</b>
<b>Series A1</b>	AAA	Aaa	AAA
<b>Series A2</b>	AAA	Aaa	AAA
<b>Series A3</b>	AAA	Aaa	AAA
<b>Series B</b>	A+	Aa2	A
<b>Series C</b>	BBB	Baa2	BBB
<b>Series D</b>	CCC	Caa3	CCC-

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The ratings assigned by S&P to the Securitisation Bonds of Series A1, A2, A3, B and C are 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 Legal Maturity Date of the Fund).

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 Legal Maturity Date of the Fund, 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 and C 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.

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 legal maturity (defined as the Legal Maturity Date of the Fund). Moody's is also of the opinion that the structure allows the payment of interest and payment of principal of Class D prior to the Legal Maturity Date of the Fund.

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.

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.

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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	Strong capacity to pay interest and repay principal. Protection factors are deemed adequate but may be susceptible to worsening in the future.  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.
BBB	Baa	BBB	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.  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.
BB	Ba	BB	Speculative grade. Cannot be assumed that the future is assured. Interest and principal payment protection is very moderate.  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.
B	B	B	The guarantee of interest and principal payment may be small. Highly vulnerable to adverse business conditions.  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.
CCC	Caa	CCC	Vulnerable to default. Payment continuity dependent on financial, economic, and business conditions being favourable  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.

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CC	Ca	CC	Highly speculative  For Moody's, Ca rated securities are highly speculative instruments. They have frequently defaulted on payments or have other notable deficiencies.
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		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

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			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 Building Block. 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 Managing Company, 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 Managing Company on behalf of the Issuer or in the interested parties.

The Prospectus submitted for deposit and registration with the CNMV is exactly the same as the one delivered to the Rating Agencies.

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## **SECURITIES NOTE**

### **(ADDITIONAL BUILDING BLOCK OF ASSET BACKED SECURITIES)**

(ANNEX VIII OF 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 1,600,000,000 euros.

##### **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, 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 Building Block.

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 Managing Company, upon prior notice to the CNMV, will be authorised to proceed to carry out the Early Liquidation of the Issuer and hence the Early

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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, collectively the "**Debtors**" or the "**Mortgagors**", and each of them, a "**Debtor**" or "**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 5 February 2007 was 2,039,904,657.41 euros, arising from 13,100 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 Managing Company 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, on the First Drawdowns.

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: Purpose and identification of the first drawdown, identification of the borrower, address of the Mortgagor, 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, reference interest rate, prevailing interest rate margin, appraisal value, maximum mortgage loan / appraisal value ratio, guarantee 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:

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- the purpose of the First Drawdown to be securitised through the issue of the corresponding Mortgage Transfer Certificate is to acquire, build or rehabilitate 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 payment of 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 interest rate applicable to the related First Drawdowns 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 balance, 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 amount over 80% of the appraisal value. 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:

$$\text{New Limit} = \text{Number of months until maturity} \times (\text{Maximum limit of subsequent Drawdowns}/48)$$

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The new limit of the maximum amount of the Mortgage Loan will only affect the future additional drawdowns that are requested, even if the Mortgagor exceeds the new limit as the result of previous drawdowns.

The maximum term of the Initial Drawdown can be lower than the maximum term by which the Mortgage Loan is opened, but, in any case, the maximum duration of the Mortgage Loan can not exceed the period of 40 years and the Inicial Drawdown can not exceed the mentioned period of 40 years nor the maximum period of the loan in the case that it is shorter.

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, build or rehabilitate 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. In any case, the maximum term of the Mortgage Loan may not exceed 40 years, the First Drawdown neither not to exceed such 40 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 most cases, 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, but some of the transactions could have an increase of quote sistem.

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

The First Drawdowns 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 and the ancillary contracts.

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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 and on their own terms.
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 and the multiple certificate representing those Mortgage Transfer Certificates (hereinafter, the “**Multiple Certificate**”) 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 arrears.
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.

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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 the appraisal has been accredited through the corresponding appraisal certificate. The appraisals fulfil all the prevailing requirements of mortgage market legislation.
18. 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.
19. On the Establishment Date, date of issuance 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.
20. On the Establishment Date, none of the Mortgage Loans will have payments more than 30 days past due.
21. 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.
22. 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.
23. 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.
24. 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.
25. 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 Managing Company 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.
26. 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 of Series A1, A2, A3, B and C.
27. From the moment of their granting, the Mortgage Loans have been and will be administered by CAIXA CATALUNYA in accordance with usual, established procedures.
28. 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, build or rehabilitate the mortgaged residence securing the Mortgage Loans.
29. 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

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standard term is one year have not been fully paid. In those homes mortgaged for Mortgage Loans that do not have in force the said insurance, due to expiry, cancellation or any other reason, CAIXA CATALUNYA assumes liability to the Issuer for the economic consequences that may arise from the absence of such insurance.

30. 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.
31. 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 after the Legal Maturity Date of the Fund.
32. On the date the Deed of Establishment is granted, none of the First Drawdowns will be in a Forbearance Period.
33. 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.
34. At the date of execution of the Deed of Establishment, CAIXA CATALUNYA has not received any notice of early repayment of the First Drawdowns.
35. 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.
36. 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.
37. If the portfolio includes Mortgage Loans whose securing properties are classified as subject to public protection, the valuation used shall in no case be higher than the legal maximum value.
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. None of the Mortgage Loans has been granted to employees of CAIXA CATALUNYA.

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44. The payment obligations of all the Mortgage Loans are made by direct debit from a bank account.
45. The frequency of payments of interest and repayments of principal is monthly.
46. The final repayment date of the Mortgage Loans is in no case later 31 October 2046.
47. All Mortgage Loans are denominated and payable exclusively in euros.
48. With respect to the Mortgage Loans and the First Drawdowns, Caixa Catalunya complies with the personal data protection law.

The aforementioned characteristics of the Seller, of the Mortgage Loans, of the First Drawdowns and of the Mortgage Transfer Certificates must be fulfilled on the date of establishment of the Fund.

## **2.2.1 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 13,100, whose outstanding principal at 5 February 2007 amounted to 2,039,904,657.41 euros, and with unpaid due principal amounting to 1,276,419.82 euros, representing 0.06% of the total outstanding principal. Such unpaid due principal affects 3,784 First Drawdowns with a outstanding principal of 643,751,188.09 euros which represents 31.56% of total outstanding principal. The details of the most significant characteristics of the First Drawdowns of the selected Mortgage Loans are described in section 2 of this Additional Building Block.

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 at the interest rate applicable to the relevant First Drawdowns.

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;

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- 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:	9,416 (since June 1997)
Number of operations affected by forbearance periods:	8,345
Number of forbearance periods concluded:	8,369
Number of forbearance periods in progress:	1,047

Source: Caixa Catalunya at 2 December 2006

Comparing the volume of First Drawdowns in Forbearance Period requested up to 2 December 2006 with the number of operations for the *Crédito Total* product, the percentage of the former is 10.10%, 8,435 out of a total of 82,626 CAIXA CATALUNYA 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 requests	%
1	496	177,198.61
2	1,319	952,961.03
3	1,687	1,827,918.46
4	1,293	1,785,738.08
5	1,059	1,883,779.61
6	1,133	2,275,164.11
7	697	1,549,182.68
8	286	761,359.79
9	228	632,962.43
10	178	513,733.24
11	124	384,935.31
12	916	2,688,087.92
<b>Total</b>	<b>9,416</b>	<b>15,433,021.27</b>

Source: Caixa Catalunya. At 2 December 2006

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.

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

Number of forbearance periods concluded	Percentage	State of the First Drawdown	Objective situation
1,897	22.68%	In progress	No delays in payment
950	11.35%	In progress	Receipt unpaid for a period of less than 3 months
0	0.00	In progress	In default for more than 3 months
28	0.33%	In progress	In default for more than 1 year
5,476	65.43%	Cancelled	
1	0.01%	Lawsuit in progress	Amounts unpaid from more than 3 months ago (lawsuit with date of claim)
17	0.20%	Lawsuit in progress	Amounts unpaid from more than 1 year ago (lawsuit with date of claim)
<b>Total = 8,369</b>			

Source: Caixa Catalunya. At 2 December 2006

#### 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 5 February 2007.

**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 5 February 2007, 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.**

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(i) **Classification by outstanding principal balance**

Outstanding balance (euros)	Number	Outstanding balance	% Outstanding balance	Average Balance	Initial Balance	Weighted avge. Interest rate
0 - 50,000	1,531	51,399,131.68	2.52%	33,572	68,528,898	4.32%
50,000 - 100,000	2,266	168,747,819.34	8.27%	74,469	189,110,984	4.29%
100,000 - 150,000	2,438	307,501,204.48	15.07%	126,128	323,694,162	4.32%
150,000 - 200,000	2,699	474,271,012.36	23.25%	175,721	491,018,359	4.30%
200,000 - 250,000	2,660	593,552,083.35	29.10%	223,140	606,805,224	4.37%
250,000 - 300,000	1,117	301,341,774.67	14.77%	269,778	306,484,673	4.36%
300,000 - 350,000	243	77,361,771.64	3.79%	318,361	78,911,704	4.32%
350,000 - 400,000	86	32,202,248.88	1.58%	374,445	33,174,070	4.13%
400,000 - 450,000	18	7,553,241.13	0.37%	419,625	7,718,516	3.97%
450,000 - 500,000	11	5,159,305.96	0.25%	469,028	5,384,285	4.03%
500,000 >	31	20,815,063.92	1.02%	671,454	22,308,002	3.90%
			0.00%			
<b>Totals</b>	<b>13,100</b>	<b>2,039,904,657.41</b>	<b>100.00%</b>	<b>155,718</b>	<b>2,133,138,877</b>	<b>4.32%</b>

(ii) **Classification by initial balance**

Initial balance (euros)	Number	Outstanding balance	% Outstanding balance	Average balance	Initial balance	Weighted avge. Interest rate
0 - 50,000	1,069	32,400,715.83	1.59%	30,309	38,957,090	4.30%
50,000 - 100,000	2,317	151,710,402.51	7.44%	65,477	171,144,227	4.30%
100,000 - 150,000	2,423	285,763,050.56	14.01%	117,938	301,070,474	4.32%
150,000 - 200,000	2,714	455,836,323.88	22.35%	167,957	472,041,512	4.31%
200,000 - 250,000	2,854	621,622,804.33	30.47%	217,808	635,739,365	4.36%
250,000 - 300,000	1,228	322,039,295.35	15.79%	262,247	331,313,224	4.36%
300,000 - 350,000	309	93,527,472.13	4.58%	302,678	97,772,278	4.31%
350,000 - 400,000	88	30,659,504.28	1.50%	348,403	32,531,345	4.13%
400,000 - 450,000	44	16,656,942.79	0.82%	378,567	18,176,094	4.02%
450,000 - 500,000	17	6,636,506.49	0.33%	390,383	7,981,895	3.91%
500,000 >	37	23,051,639.26	1.13%	623,017	26,411,373	3.92%
			0.00%			
<b>Totals</b>	<b>13,100</b>	<b>2,039,904,657.41</b>	<b>100.00%</b>	<b>155,718</b>	<b>2,133,138,877</b>	<b>4.32%</b>

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(iii) **Classification by interest rate**

Interest Rate	Number	Outstanding balance	% Outstanding balance	Average balance	Initial balance	Weighted ave. Interest rate
2.50 - 2.99%	19	3,352,521.70	0.16%	176,449	3,530,280	2.92%
3.00 - 3.49%	499	90,580,204.18	4.44%	181,523	95,018,516	3.28%
3.50 - 3.99%	2,885	449,914,390.20	22.06%	155,950	472,697,224	3.75%
4.00 - 4.49%	3,872	558,243,311.95	27.37%	144,174	589,427,682	4.23%
4.50 - 4.99%	5,065	837,252,812.15	41.04%	165,302	865,913,966	4.71%
5.00 - 5.49%	743	99,512,238.04	4.88%	133,933	105,191,530	5.10%
5.50 - 5.99%	16	945,793.47	0.05%	59,112	1,242,480	5.55%
6.00 - 6.49%	1	103,385.72	0.01%	103,386	117,200	6.00%
<b>Totals</b>	<b>13,100</b>	<b>2,039,904,657.41</b>	<b>100.00%</b>	<b>155,718</b>	<b>2,133,138,877</b>	<b>4.32%</b>

(iv) **Classification by date of formalisation**

Year of formalisation	Number	Outstanding balance	% Outstanding balance	Average balance	Initial balance	Weighted ave. Interest rate
<= 1996	35	1,278,758.37	0.06%	36,536	2,415,167	4.99%
1997	54	2,728,997.35	0.13%	50,537	4,136,322	4.78%
1998	48	2,450,902.23	0.12%	51,060	3,740,014	4.59%
1999	324	15,436,233.18	0.76%	47,643	20,859,402	4.55%
2000	345	18,188,788.74	0.89%	52,721	23,412,804	4.43%
2001	275	18,629,603.40	0.91%	67,744	23,278,326	4.48%
2002	418	31,725,535.47	1.56%	75,898	36,893,116	4.44%
2003	766	63,328,447.88	3.10%	82,674	72,022,516	4.23%
2004	1,520	161,437,936.12	7.91%	106,209	177,009,491	4.21%
2005	2,669	453,591,750.23	22.24%	169,948	474,462,468	4.39%
2006	6,646	1,271,107,704.44	62.31%	191,259	1,294,909,251	4.30%
<b>Totals</b>	<b>13,100</b>	<b>2,039,904,657.41</b>	<b>100.00%</b>	<b>155,718</b>	<b>2,133,138,877</b>	<b>4.32%</b>

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(v) **Classification by Reference Interest Rate**

Reference interest rate	Number	Outstanding balance	% Outstanding balance	Average balance	Initial balance	Weighted avge. Interest rate
Euribor	6,591	1,046,721,026.66	51.31%	158,811	1,096,437,779	4.30%
IRPH	6,456	990,305,844.60	48.55%	153,393	1,032,286,848	4.34%
Mibor	41	2,362,592.86	0.12%	57,624	3,707,043	4.56%
CECA	12	515,193.29	0.03%	42,933	707,207	5.23%
			0			
<b>Totales</b>	13,100	2,039,904,657.41	100.00%	155,718	2,133,138,877	4.32%

The rates used that are indicated in the table above are as follows:

IRPH: Average Rate for Savings Banks organised as *Cajas de Ahorros*

MIBOR: 12-month interbank rate

EURIBOR: 12-month benchmark rate

CECA: Benchmark lending rate used by savings banks — CECA lending rate indicator

The rates used in calculating the arithmetic means of the IRPH will be the annual percentage rates, weighted by the respective principal, reported by confederated savings banks to the Bank of Spain for each one of these types of loans and for those maturities, pursuant to the terms of Circular 8/1990 of 7 September 1990 on transparency of bank operations and protection of clients. This benchmark rate is published by the Bank of Spain, in the Spanish Official State Gazette (*Boletín Oficial del Estado*), for the third month prior to application, provided it has been published at least 20 days before the start of the new one-year period. If the said interest rate has not been published that far in advance, the benchmark rate will be the one for the four month before the application of the new rate.

In mortgage loan contracts for the first drawdowns, the annual revision based on the CECA index will be established according to contractual covenants on this point set out in the official forms of the participated mortgage loans, and in this sense, there will apply either: (i) CECA, as the actual annual percentage rate (TAE) for savings banks, published in the *Boletín Oficial del Estado*, or (ii) CECA, as nominal interest rate, assessed and settled monthly in arrears, equal to the actual rate published.

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(vi) **Classification by final repayment date of the first drawdown**

Final repayment	Number	Outstanding balance	% Outstanding balance	Average balance	Initial balance	Weighted ave. Interest rate
<= 2009	13	325,394.39	0.02%	25,030	935,256	4.43%
2010 - 2011	39	1,189,815.18	0.06%	30,508	2,437,331	4.47%
2012 - 2013	125	4,535,583.42	0.22%	36,285	7,158,735	4.35%
2014 - 2015	191	8,191,869.75	0.40%	42,889	11,985,393	4.26%
2016 - 2017	193	9,530,770.38	0.47%	49,382	13,264,134	4.32%
2018 - 2019	351	20,409,946.66	1.00%	58,148	25,605,206	4.22%
2020 - 2021	333	25,603,063.27	1.26%	76,886	30,123,150	4.25%
2022 - 2023	263	18,406,733.61	0.90%	69,988	21,974,503	4.22%
2024 - 2025	466	37,995,891.99	1.86%	81,536	44,313,079	4.25%
2026 - 2027	410	40,113,939.47	1.97%	97,839	43,915,355	4.23%
2028 - 2029	524	50,881,951.54	2.49%	97,103	55,871,602	4.23%
2030 - 2031	720	81,586,853.15	4.00%	113,315	87,415,981	4.23%
2032 - 2033	700	80,370,588.90	3.94%	114,815	86,972,393	4.31%
2034 - 2035	3,033	503,806,689.51	24.70%	166,108	525,124,559	4.37%
2036 - 2037	4,831	972,435,734.09	47.67%	201,291	989,002,373	4.32%
2038 - 2039	7	1,162,739.49	0.06%	166,106	1,493,480	4.25%
2040 - 2041	235	45,273,752.40	2.22%	192,654	46,034,180	4.30%
2042 - 2043	8	1,485,707.66	0.07%	185,713	1,502,495	4.45%
2044 - 2045	56	10,940,291.44	0.54%	195,362	11,245,622	4.69%
2046 - 2047	602	125,657,341.11	6.16%	208,733	126,764,051	4.34%
<b>Totals</b>	<b>13,100</b>	<b>2,039,904,657.41</b>	<b>100.00%</b>	<b>155,718</b>	<b>2,133,138,877</b>	<b>4.32%</b>

(vii) **Classification by the ratio of loan principal to appraisal value (LTV) at formalisation of the First Drawdown**

Original LTV	Number	Outstanding balance	% Outstanding balance	Average balance	Initial balance	Weighted ave. Interest rate
Less than 5%	14	670,330.60	0.03%	47,881	808,617	4.25%
between 5 and 9%	83	2,625,515.75	0.13%	31,633	2,879,314	4.13%
between 10 and 14%	184	7,174,562.27	0.35%	38,992	8,082,794	4.15%
between 15 and 19%	243	10,723,210.44	0.53%	44,128	12,120,657	4.17%
between 20 and 24%	307	17,128,534.88	0.84%	55,793	19,104,463	4.07%
between 25 and 29%	286	17,966,920.33	0.88%	62,821	19,762,939	4.16%
between 30 and 34%	339	24,986,036.13	1.22%	73,705	27,284,055	4.13%
between 35 and 39%	333	26,552,779.81	1.30%	79,738	28,914,569	4.16%
between 40 and 44%	318	30,376,283.18	1.49%	95,523	33,010,285	4.13%
between 45 and 49%	347	35,531,037.27	1.74%	102,395	38,351,113	4.18%
between 50 and 54%	350	37,882,689.81	1.86%	108,236	40,758,880	4.15%

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Original LTV	Number	Outstanding balance	% Outstanding balance	Average balance	Initial balance	Weighted ave. Interest rate
between 55 and 59%	360	45,627,216.89	2.24%	126,742	48,819,302	4.15%
between 60 and 64%	332	44,391,781.04	2.18%	133,710	47,307,185	4.20%
between 65 and 69%	402	55,001,971.70	2.70%	136,821	59,224,670	4.13%
between 70 and 74%	427	60,822,570.52	2.98%	142,442	64,699,065	4.14%
between 75 and 79%	1,238	175,352,834.61	8.60%	141,642	188,313,357	4.18%
between 80 and 84%	380	60,828,657.97	2.98%	160,075	63,872,916	4.33%
between 85 and 89%	952	179,598,041.78	8.80%	188,653	185,799,313	4.35%
between 90 and 94%	905	168,161,695.05	8.24%	185,814	175,881,854	4.34%
between 95 and 99%	5,010	989,050,855.22	48.49%	197,415	1,017,154,285	4.41%
between 100 and 104%	290	49,451,132.16	2.42%	170,521	50,989,245	4.39%
<b>Totals</b>	<b>13,100</b>	<b>2,039,904,657.41</b>	<b>100.00%</b>	<b>155,718</b>	<b>2,133,138,877</b>	<b>4.32%</b>

(viii) **Classification by the ratio between the outstanding balance and the appraisal value**

Current LTV	Number	Outstanding balance	% Outstanding balance	Average balance	Initial balance	Weighted ave. Interest rate
Less than 5%	20	790,395.36	0.04%	39,520	1,088,847	4.24%
between 5 and 9%	127	4,081,030.96	0.20%	32,134	5,123,837	4.15%
between 10 and 14%	278	10,060,703.11	0.49%	36,190	13,087,781	4.16%
between 15 and 19%	331	15,688,598.66	0.77%	47,398	21,476,048	4.14%
between 20 and 24%	334	17,998,653.39	0.88%	53,888	21,478,478	4.12%
between 25 and 29%	353	23,410,105.46	1.15%	66,318	27,577,917	4.15%
between 30 and 34%	373	28,142,036.74	1.38%	75,448	32,697,950	4.13%
between 35 and 39%	354	30,171,067.13	1.48%	85,229	34,937,879	4.19%
between 40 and 44%	353	36,047,826.01	1.77%	102,118	40,307,744	4.17%
between 45 and 49%	401	43,169,811.14	2.12%	107,655	49,034,480	4.14%
between 50 and 54%	394	44,868,414.29	2.20%	113,879	49,992,985	4.16%
between 55 and 59%	402	49,800,584.45	2.44%	123,882	54,907,317	4.23%
between 60 and 64%	392	52,393,658.35	2.57%	133,657	56,894,672	4.13%
between 65 and 69%	523	70,050,746.65	3.43%	133,940	74,798,734	4.14%
between 70 and 74%	584	80,860,406.95	3.96%	138,460	86,009,398	4.18%
between 75 and 79%	801	132,179,503.40	6.48%	165,018	136,524,080	4.20%
between 80 and 84%	493	80,798,819.67	3.96%	163,892	84,173,116	4.34%
between 85 and 89%	1,079	199,770,130.88	9.79%	185,144	204,136,238	4.33%
between 90 and 94%	1,184	223,061,150.65	10.93%	188,396	228,355,539	4.38%
between 95 and 99%	4,324	896,561,014.16	43.95%	207,345	910,535,838	4.41%
<b>Totals</b>	<b>13,100</b>	<b>2,039,904,657.41</b>	<b>100.00%</b>	<b>155,718</b>	<b>2,133,138,877</b>	<b>4.32%</b>

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(ix) **Classification by province in which the mortgaged property is located**

Debtor's province	Number	Outstanding balance	% Outstanding balance	Average balance	Initial balance	Weighted avge. Interest rate
Barcelona	7,470	1,271,007,946.74	62.31%	170,148	1,325,249,478	4.29%
Madrid	1,501	256,855,081.64	12.59%	171,123	269,138,039	4.38%
Valencia	915	108,153,485.61	5.30%	118,201	113,705,454	4.46%
Gerona	510	74,152,369.31	3.64%	145,397	77,764,271	4.30%
Tarragona	469	60,839,977.12	2.98%	129,723	63,459,579	4.28%
Murcia	396	48,025,265.89	2.35%	121,276	49,471,654	4.42%
Alicante	245	27,348,815.77	1.34%	111,628	29,335,515	4.34%
Zaragoza	192	27,017,051.30	1.32%	140,714	28,008,035	4.49%
Lérida	253	25,159,302.27	1.23%	99,444	27,042,856	4.33%
Castellón	165	18,212,884.94	0.89%	110,381	19,311,081	4.45%
Others	984	123,132,476.82	6.04%	125,135	130,652,915	4.30%
<b>Totals</b>	<b>13,100</b>	<b>2,039,904,657.41</b>	<b>100.00%</b>	<b>155,718</b>	<b>2,133,138,877</b>	<b>4.32%</b>

(x) **Delinquency**

Delinquency	Number of loans	Outstanding balance	% Outstanding balance affected	Unpaid	%Unpaid	Average balance	Initial balance	Weighted avge. Interest rate
Up to date with payment	9,316	1,396,153,469.32	68.44%	-	-	149,866	1,468,229,958	4.29%
Delinquent for fewer than 30 days	2,679	460,845,077.35	22.59%	645,168.48	0.03%	172,021	475,645,152	4.39%
Delinquent for fewer than 60 days	808	133,788,312.81	6.56%	407,410.12	0.02%	165,580	138,420,160	4.40%
Delinquent for fewer than 90 days	297	49,117,797.93	2.41%	223,841.22	0.01%	165,380	50,843,608	4.42%
<b>Totals</b>	<b>13,100</b>	<b>2,039,904,657.41</b>	<b>100.00%</b>	<b>1,276,419.82</b>	<b>0.06%</b>	<b>143,853</b>	<b>2,133,138,877</b>	<b>4.32%</b>

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(xi) **Classification by Debtors concentration**

Debtor	Number	Outstanding Balance	% Outstanding Balance	Average balance	Initial balance	Weighted ave. Interest rate
1	1	1,569,078.76	0.08%	1,569,079	1,905,208	4.50%
2	1	1,198,814.08	0.06%	1,198,814	1,244,900	4.12%
3	1	985,595.71	0.05%	985,596	1,000,000	3.47%
4	1	886,834.30	0.04%	886,834	908,000	4.02%
5	1	834,421.36	0.04%	834,421	850,000	3.25%
6	1	787,674.01	0.04%	787,674	800,000	3.70%
7	1	758,609.96	0.04%	758,610	1,142,000	3.43%
8	1	700,586.11	0.03%	700,586	709,194	3.77%
9	1	683,714.61	0.03%	683,715	720,000	4.00%
10	1	676,646.11	0.03%	676,646	908,000	3.58%
Other	13,090	2,030,822,682.40	99.55%	155,143	2,122,951,575	4.32%
<b>Total</b>	<b>13,100</b>	<b>2,039,904,657.41</b>	<b>100.00%</b>	<b>155,718</b>	<b>2,133,138,877</b>	<b>4.32%</b>

(xii) **Classification by Mortgage Loans with Additional Disposition (not securitized).**

Additional Dispositions (not securitized)	Number of Mortgage Loans	%	Outstanding Balance of Initial Dispositions	% Outstanding Balance	Number of Additional Dispositions	Initial Balance of Additional Dispositions	% Initial Balance Additional Dispositions over Initial Balance of Initial Dispositions
Without Additional Dispositions	10,859	82.89%	1,843,064,379.98	90.35%	-	-	-
With Additional Dispositions	2,241	17.11%	196,840,277.43	9.65%	3,908	96,810,160.82	4.53%
<b>Totales</b>	<b>13,100</b>	<b>100%</b>	<b>2,039,904,657.41</b>	<b>100%</b>		<b>96,810,160.82</b>	<b>4.53%</b>

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### **2.2.3 Legal nature of the assets**

As indicated previously, all assets will be 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 Building Block 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 31 October 2046.

### **2.2.5 Amount of the assets**

The First Drawdowns will be taken from a selection comprised of 13,100, whose outstanding principal at 5 February 2007 amounted to 2,039,904,657.41 euros, and with unpaid due principal amounting to 1,276,419.82 euros, representing 0.06% of the total outstanding principal. Such unpaid due principal affects 3,784 First Drawdowns with a outstanding principal of 643,751,188.09 euros which represents 31.56% of total outstanding principal. The details of the most significant characteristics of the First Drawdowns of the selected Mortgage Loans are described in section 2 of this Additional Building Block.

### **2.2.6 Ratio between the outstanding balance of the principle and the appraisal value or level of overcollateralisation**

See section 2.2.2.2. (viii) above.

### **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 natural persons ("corporates"), the main criteria observed in authorising the Mortgage Loans are summarised below:

#### **(i) 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.

#### **(ii) 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.

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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., that is, 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.

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#### **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. .
- Registry check of the mortgagable asset value of the most representative properties.

#### **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 Orders of 30 November 1994 and 27 March 2003, CAIXA CATALUNYA only uses Valuation Companies for the valuation of property. In accordance with the said Ministerial Orders, for properties subject to a public protection system, the appraised value used by CAIXA CATALUNYA to extend that credit will in no event be higher than the legal maximum. 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 Orders, 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.

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#### 4.- Authority for approval.

For the resolution of operations, CAIXA CATALUNYA has established a level of authorisation which varies according to the decision-making centre. Powers of approval are distributed among Branches, Regional Management and Head Office Departments with the favourable opinion of the previous centre 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 euros it is necessary to provide a specific

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	certificate of approval from the deciding body.
Draft for the Notaries:	There is a data base for mortgage operations with all the draft models available for their formalization, which is the responsibility of the Legal Department.
Binding offer:	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.
Title check:	<p>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.</p> <p>In all cases, the CAIXA CATALUNYA mortgage must always be the first mortgage or, if applicable, a later mortgage but in which case CAIXA CATALUNYA will have documents on cancellation of the debtors originated by the previous mortgages, although registry cancellation may still be pending.</p> <p>CAIXA CATALUNYA always asks the Notary to verify encumbrances with the Land Registry.</p>
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 Land 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.

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

The Managing Company 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 Managing Company throughout the life of the Mortgage Transfer Certificates, that any of these do not conform at the date of the Deed of Establishment 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 Managing Company, immediately substitute the relevant Mortgage Transfer Certificate subject to the following rules:

- 1) The party, either CAIXA CATALUNYA or the Managing Company, 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 Managing Company 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 Building Block, in a way that neither the financial balance of the Issuer nor the ratings of the Securitisation Bonds are affected by the substitution. Once the suitability of the underlying First Drawdown it is proposed to assign has been confirmed by the Managing Company and by an independent external auditor and once the Managing Company 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 Managing Company 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 Managing Company communicated to CAIXA CATALUNYA, CAIXA CATALUNYA will make the early repayment of the Mortgage Transfer

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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 Building Block, 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 Managing Company, 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 Managing Company 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 Building Block, 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 CAIXA CATALUNYA, in the event of default on the insurance premium payment by 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, pro rata to the First Drawdown securitised. Therefore the Issuer, as holder of the Mortgage Transfer Certificates, will receive all amounts which CAIXA CATALUNYA would have received in this respect, pro rata to the First Drawdown securitised.

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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 Building Block, 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.

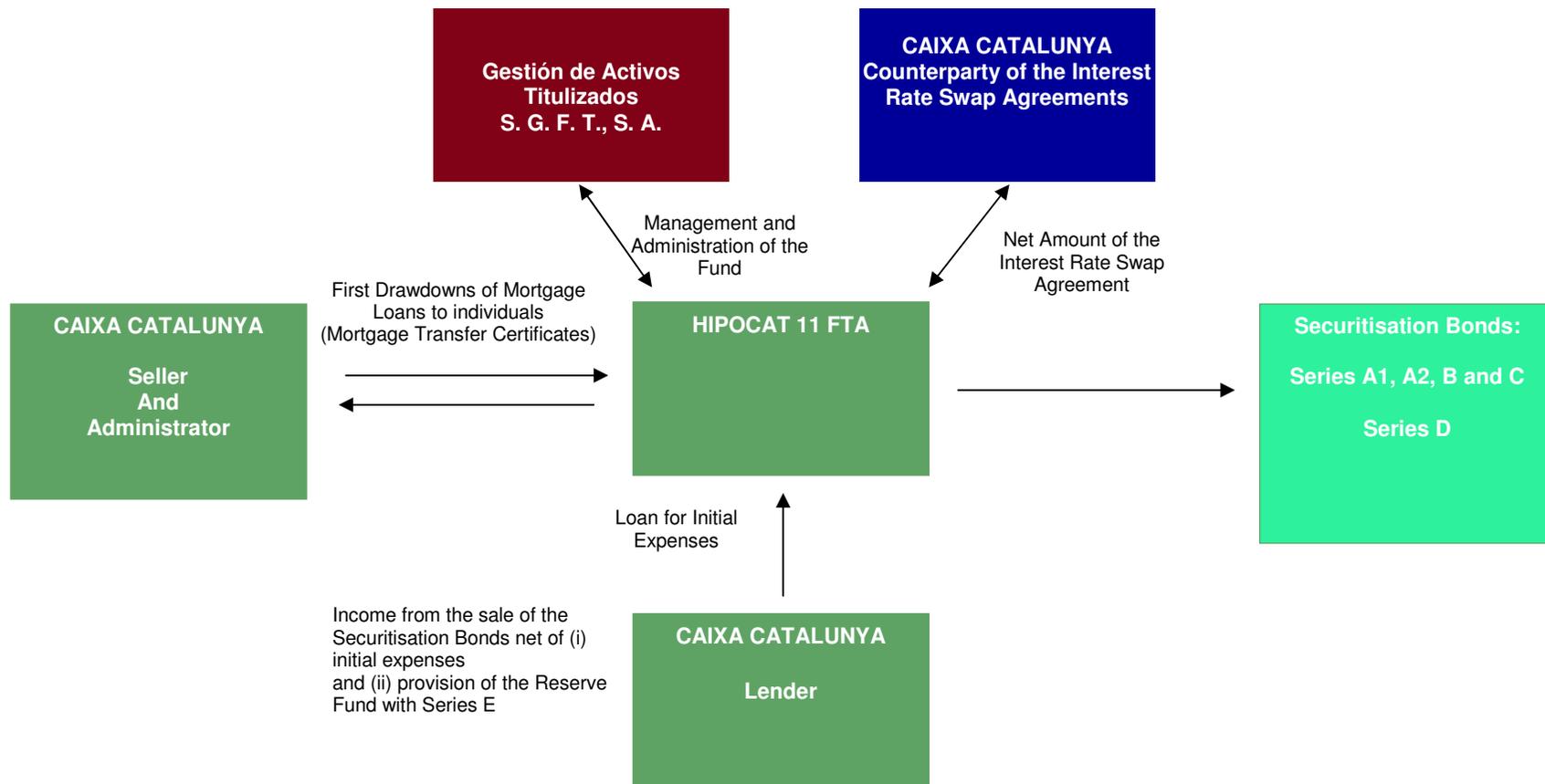
**2.4 Where an issuer proposes to issue further securities backed by the same assets, a statement to that effect and description of how the holders of that class will be informed.**

Not applicable.

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### 3 STRUCTURE AND CASH FLOW

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



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

ASSETS	EUROS	LIABILITIES	EUROS
<b>Initial Capitalised Expenses</b>	2,070,778'66	<b>Series A1 Securitisation Bonds</b>	200,000,000
		<b>Series A2 Securitisation Bonds</b>	1,083,200,000
		<b>Series A3 Securitisation Bonds</b>	200,000,000
<b>Mortgage Transfer Certificates</b>	1,600,000,000	<b>Series B Securitisation Bonds</b>	52,800,000
		<b>Series C Securitisation Bonds</b>	64,000,000
		<b>Series D Securitisation Bonds</b>	28,000,000
<b>Cash Reserve Fund</b>	28,000,000	<b>Loan for Initial Expenses</b>	2,070,778'66
<b>Other funds deposited</b>	0		
<b>TOTAL ASSETS</b>	<b>1,630,070,778'66</b>	<b>TOTAL LIABILITIES</b>	<b>1,630,070,778'66</b>

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 Managing Company 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 Drawdowns drawn against said loans by each of the Mortgagors.

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 arrears, giving priority to the payment of the interest over the principal of each instalment.

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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, A2, A3, B and C.

The Managing Company, 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 Building Block, 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 Managing Company. 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 Land 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 2.2.9 above of this Additional Building Block.

#### **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 Managing Company and will pay to the Issuer, by crediting to the bank account designated by the Managing Company 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 (that is, any additional drawdowns made against the corresponding Mortgage Loan), other than with the express authorisation of the Managing Company.

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 Managing Company.

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CAIXA CATALUNYA will fulfil the contractual obligations arising from the deeds executing 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 (that is, with respect to any additional drawdowns made against the corresponding Mortgage Loan), other than with the express authorisation of the Managing Company.

### 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 Managing Company 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., CET. (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 (15 March 2007).

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 Managing Company 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 recover the ownership of the First Drawdowns.

Payment will be made by order placed by the Managing Company 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.

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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

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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 Managing Company executes a mortgage loan for and on behalf of the Issuer as established in section 3.7.1 of this Additional Building Block, if in the event of Early Liquidation of the Issuer 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 Managing Company.

### 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.

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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 3.1 of this Additional Building Block, 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, A2, A3, B and C.
- 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 D.
- d) Throughout the period of time between two Determination Dates, the Managing Company, 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, accruing a rate of interest in accordance with the provisions of the Guaranteed Interest Reinvestment Agreement for the Treasury 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, 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 Managing Company, Administrator, Paying Agent and other expenses).
  - (ii) The interest and principal payable on the Securitisation Bonds.
  - (iii) 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

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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 the amount of the Series D Securitisation Bonds.

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 on Distribution of the Fund Available for Repayment among the Series A1, A2, A3, B and C 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 three (3) months.

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 Managing Company, 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 1.75% of the initial nominal amount of the Securitisation Bonds of Series A1, A2, A3, B and C, that is, 28,000,000 euros (the "**Initial Reserve Fund**"). The Initial Reserve Fund will be financed via the Series D Securitisation Bonds to be issued.

Subsequently, on each Payment Date, in accordance with the Order of Priority of Payments, the Reserve Fund will be provisioned with the smaller of the following amounts (the "**Required Reserve Fund**"):

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1. an amount equivalent to 1.75% of the initial nominal amount of the Securitisation Bonds of the Series A1, A2, A3, B and C (that is, 28,000,000 euros), or
2. an amount equal to the larger of the following amounts:
  - (i) 0.875% of the initial nominal amount of the Securitisation Bonds of the Series A1, A2, A3, B and C (that is, 14,000,000 euros), or
  - (ii) 3.5% of the Outstanding Nominal Balance of the Securitisation Bonds of the Series A1, A2, A3, B and C.

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

- (i) until three (3) years after the Issuer Establishment Date, nor
- (ii) if the Required Reserve Fund was not provided in full on the preceding Payment Date, nor
- (iii) if the Delinquency Ratio on the preceding Determination Date is higher than or equal to 1%.

**(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 Building Block.

**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 Managing Company 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) euros (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 due to the possible surplus that may exist between the Mortgage Transfer Certificates and the principal of the A1, A2, A3, B and C Bonds issued), and to pay due and payable interest on each of the First Drawdowns, at the date of issue of the Mortgage Transfer Certificates.

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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 Building Block. 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 Legal Maturity Date of the Fund or on the date of early liquidation, whichever comes first. Nevertheless the Managing Company may, freely repay any amount under the Loan for Initial Expenses, on behalf and for the account of the Issuer and in accordance with the Order of Priority, endeavouring that the said amount be at least equal to the sums that have been amortised in the accounting as expenses incurred in forming the Fund and issuing the Securitisation Bonds in the Determination Period in progress.

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

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Payment of interest and repayment of the principal of Series B Bonds ranks below those for Series A1, A2 and A3 Bonds in the Order of Priority of Payments established in section 3.4.6.1 of the Additional Building Block and the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Building Block.

Payment of interest and repayment of the principal of Series C Bonds ranks below those for Series A1, A2, A3 and B Bonds in the Order of Priority of Payments established in section 3.4.6.1 of the Additional Building Block and the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Building Block..

Payment of interest and repayment of the principal of Series D Bonds ranks below those for Series A1, A2, A3, B and C Bonds according to the Order of Priority of Payments established in section 3.4.6.1 of the Additional Building Block and the Liquidation Order of Priority established in section 3.4.6.2 of the Additional Building Block..

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 Managing Company, 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; and
- (v) The returns obtained on the balances in the Treasury Account itself, in the Principal Withholding Account and in the Cash Surplus Account, if applicable;

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

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.

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- 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 7 September 1990, of the Bank of Spain, 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 Managing Company, within a maximum of thirty (30) calendar 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 Guaranteed Interest Reinvestment Agreement for the Treasury Account:
  - 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, in accordance with Rating Agencies requirements, upon mere request by the Managing Company, prompt payment by CAIXA CATALUNYA of its obligation to repay the amounts deposited in the Treasury 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-subordinated, 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 under the Guaranteed Interest Reinvestment Agreement for the Treasury Account.
  - 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 the Agreement and that results in the Managing Company receiving confirmation from FITCH that with this security the rating of the Bonds will not be affected and the rating granted to the Bonds by the Rating Agencies will not be downgraded.
  - d) In addition, if the above options are not possible on the aforementioned terms, the Managing Company 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 if the maturity period is less than thirty days and F1+ if it is more than 30

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days, 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 the Guaranteed Interest Reinvestment Agreement for the Treasury Account; provided that no prejudice to the ratings granted to each of the Bonds Series by the Rating Agencies occur and that the Managing Company receives confirmation of FITCH that with such investments the ratings of the Bonds shall not be affected.

- e) In both cases, b. and d., the Managing Company 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) If the Treasury Account accumulate more than 20% of the Outstanding Principal Balance of the Notes, 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 such 20% of the Outstanding Principal Balance of the Bonds will be transferred 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, which may not be lower than that contracted with CAIXA CATALUNYA under the Guaranteed Interest Reinvestment Agreement for the Treasury Account (hereinafter, the account will be referred to as 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 Managing Company 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 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 Legal Maturity Date of the Fund or the date of early liquidation of the Issuer, if this were earlier.

#### 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 Building Block. The revenues received are deposited in the Treasury Account as described in section 3.4.4.1 above of this Additional Building Block.

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

##### 3.4.6.1 Source and Application of Funds

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(i) **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:

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

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

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

(ii) 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 Building Block.
- 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 Building Block.
- 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, in accordance with the provisions of section 3.4.4.1 of this Additional Building Block, and in the Cash Surplus Account, where appropriate.
- d) The Reserve Fund described in section 3.4.2.1 of this Additional Building Block.
- 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 Building Block or, in case of downgrading of the rating of CAIXA CATALUNYA, according to the provisions of section 3.4.7.1(e) above, the amounts deposited by CAIXA

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CATALUNYA in an account open for the Issuer or the settlement payment of the Swap.

## 2. Application:

**A)** The **Available Funds**, with the limitations and rules described above, will be allocated on each Payment Date, other than the Payment Date that falls on the Fund liquidation date, in which case the Liquidation Order of Priority of Payments will apply, to comply with the payment or withholding obligations, regardless of the time of their accrual, in the following order:

- 1st. Payment of the ordinary and extraordinary expenses of the Issuer, whether funded or not by the Managing Company and duly evidenced, including the management fee due to the Managing Company 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 settlement payment of the Swap Agreement.
- 3rd. Pro rata payment of interest accrued on the Securitisation Bonds of Series A1, the Securitisation Bonds of Series A2 and the Securitisation Bonds of Series A3.
- 4th. Payment of interest accrued on the Series B Securitisation Bonds, unless payment is deferred to 7<sup>th</sup> place in this order of priority.

Payment of interest on Series B Bonds will be deferred to seventh (7<sup>th</sup>) 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 whose mortgage guarantees have already been foreclosed (**“Outstanding Balance of Defaulted Mortgage Transfer Certificates”**) represents a percentage equal to or higher than 13.20% of the initial balance of the Mortgage Transfer Certificates; and
  - 2) The principal of Series A1, A2 and A3 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 8<sup>th</sup> place in this order of priority.

Payment of interest on Series C Bonds will be deferred to eighth (8<sup>th</sup>) place in this Order of Priority when:

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- 1) The Cumulative Balance of Defaulted Mortgage Transfer Certificates represents a percentage equal to or higher than 8.90% of the initial balance of the Mortgage Transfer Certificates; and
  - 2) The principal of Series A1, A2, A3 and B Bonds has not been fully repaid and this is not going to occur on the corresponding Payment Date.
- 6<sup>th</sup> Withholding of a sufficient amount to provision the Fund Available for Repayment according to the terms of section 4.9.3.5 of the Securities Note.
  - 7<sup>th</sup> Payment of interest accrued on Series B Securitisation Bonds, when this payment is deferred.
  - 8<sup>th</sup> Payment of interest accrued on Series C Securitisation Bonds, when this payment is deferred.
  - 9<sup>th</sup> 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.
  - 10<sup>th</sup> Payment of the interest accrued on the Series D Securitisation Bonds.
  - 11<sup>th</sup> Repayment of Series D Securitisation Bonds.
  - 12<sup>th</sup> In the event of termination of the Swap Agreement due to default of the counterparty, payment of the amount payable by the Issuer entailing payment for settlement of said Swap Agreement.
  - 13<sup>th</sup> Payment of Fixed Remuneration accrued on the Loan for Initial Expenses.
  - 14<sup>th</sup> Repayment of the principal of the Loan for Initial Expenses in accordance with the provisions of section 3.4.3.1 of this Additional Building Block.
  - 15<sup>th</sup> 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:

- ◆ 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.
- ◆ On the following Payment Date, the unpaid amounts shall be ranked in the order of priority immediately above the item to which they refer.
- ◆ The amounts owed by the Fund and not paid on the relevant Payment Dates will not accrue further interest.

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**B) The Fund Available for Repayment** shall be allocated in accordance with the rules for the Distribution of the Fund Available for Repayment established in section 4.9.3.5(ii) of the Securities Note.

(iii) 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 Managing Company, 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 Managing Company 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, A2, A3, B and C Bonds pursuant to section 4.4 of the Registration Document in the following order of priority of payments (the "**Liquidation Order of Priority**"):

- 1<sup>st</sup> Reserve to cover tax, administrative or advertising expenses incurred on the termination and liquidation of the Issuer;
- 2<sup>nd</sup> Payment of the ordinary and extraordinary expenses of the Issuer, whether funded or not by the Managing Company and duly evidenced, including the management fee due to the Managing Company 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.
- 3<sup>rd</sup> 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.
- 4<sup>th</sup> Pro rata payment of interest accrued on the Securitisation Bonds of Series A1, A2 and A3.
- 5<sup>th</sup> Pro rata repayment of principal of the Securitisation Bonds of Series A1, A2 and A3.
- 6<sup>th</sup> Payment of interest accrued on Series B Bonds.
- 7<sup>th</sup> Repayment of the principal on Series B Bonds.
- 8<sup>th</sup> Payment of interest accrued on Series C Bonds.

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- 9<sup>th</sup> 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> In the event of termination of the Swap Agreement due to default of the counterparty, payment of the amount payable by the Issuer entailing payment for settlement of said Swap Agreement.
- 13<sup>th</sup> Payment of Fixed Remuneration accrued on the Loan for Initial Expenses.
- 14<sup>th</sup> Repayment of the principal of the Loan for Initial Expenses as established in Section 3.4.3.1 of the Additional Building Block.
- 15<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, A2, A3, B and C in accordance with the provisions of section 4.4 of the Registration Document.
- 16<sup>th</sup> 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 Legal Maturity Date of the Fund 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 Managing Company 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.

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

**Party B:** CAIXA CATALUNYA.

**(a) Liquidation Dates.**

The liquidation dates shall coincide with each of the Payment Dates for the Securitisation Bonds, in other words, 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 July 15, 2007.

**(b) Liquidation Periods.**

The Liquidation Periods shall correspond to the days effectively elapsed between two consecutive Determination Dates including the first and excluding the second. Exceptionally, the first Liquidation Period shall have a term equivalent to the days

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effectively elapsed between the Closing Date (inclusive) and the first Determination Date (exclusive).

**(c) Amount payable by Party A**

This will be, at each settlement date, the amount of interest fallen due, collected and paid to the Fund during the settlement period immediately preceding the same, from the Mortgage Transfer Certificates which are not Defaulted Mortgage Transfer Certificates, reduced both by the amount of interest accrued and fallen due and not paid in respect of the calculation of the coupon accrued for the first instalment assigned to the Fund, as well as by the recoveries of interest fallen due and not paid on the Mortgage Transfer Certificates which prior to the date of Establishment of the Fund were less than 30 days overdue. For these purposes, the Managing Company will not consider the coupon accrued for the benefit of the Seller as interest fallen due, collected and paid to the Fund.

**(d) Amount payable by Party B**

This will be, on each settlement date, the result of applying the Party B Interest Rate, as determined in paragraph (c) below to the Notional amount of the Swap for Party B, according to paragraph (d) below, for the days of the Determination Period divided by 360.

**(e) Party B Interest Rate**

The interest rate per annum obtained by applying the Reference Interest Rate of the Securitisation Bonds for the Interest Period in progress plus the average margin of Securitisation Bonds of Series A1, A2, A3, B and C on the Payment Date, weighted by the Outstanding Principal Balance of the Securitisation Bonds of Series A1, A2, A3, B and C in the Determination Period immediately prior to the Payment Date, plus 0.65%, plus, in the event CAIXA CATALUNYA is replaced as Administrator of the Mortgage Loans, the percentage (%) obtained by dividing the fee for the Services provided by the new Administrator by the Outstanding Balance of the Mortgage Portfolio not more than three (3) months past due, and not including the First Drawdowns in the Forbearance Period, unless those First Drawdowns in the Forbearance Period account for more than 16% of the Outstanding Balance of the Mortgage Portfolio.

**(f) Notional of the Swap for Party B**

The daily average for the previous 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 16% 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"**).

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 (Party A) does not have sufficient liquidity to pay the whole of the sum payable to Party B, the portion of that sum not paid will be settled on the following Payment Date, provided the Issuer has sufficient liquidity according to the Order of Priority of Payments. If this non-payment situation occurs on two consecutive Payment Dates, the Interest Rate Swap Agreement may be terminated at the initiative of Party B. In the event of termination, the Issuer shall assume, if appropriate, the obligation

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to pay the settlement amount stipulated according to the terms of the Interest Rate Swap Agreement, all in accordance with the Order of Priority of Payments. Without prejudice to the foregoing, except in a situation of permanent disruption of the financial balance of the Issuer, the Managing Company, on behalf and for the account of the Issuer, will attempt to enter into a new interest rate swap contract on terms substantially the same as those of the terminated agreement.

If on a Payment Date Party B fails to perform its payment obligations for the whole of the sum payable to the Issuer, the Managing Company will have the option of terminating the Interest Rate Swap Agreement. In such event, Party B shall assume, if appropriate, the obligation to pay the settlement amount stipulated in the agreement. If the Managing Company exercises this early cancellation option, it must find an alternative financial institution to replace Party B as quickly as possible, without prejudice to its right to the amounts not paid.

The Swap Agreement will remain in force until the Legal Maturity Date of the Fund, 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.

#### **(g) Actions in the event of a change in the rating of Party B**

In the event that the unsecured and non-subordinated long-term debt and/or the unsecured and non-subordinated short-term debt of Party B were to suffer a rating downgrade at any moment in the life of the Bonds, then depending on the Rating Agency concerned, the following steps should be taken:

##### **A) Moody's criteria**

(i) If at any time during the life of the Securitisation Bonds issue neither party B nor any of its guarantors has the "First Rating Level Required" ("**Breach of the First Rating Level**"), party B must adopt one of the following measures within thirty (30) Business Days from this circumstance occurring:

1) Obtain a Substitute with the First Rating Level Required (or a Substitute with a Guarantor that has the First Rating Level Required).

2) Obtain a Guarantor with the First Rating Level Required.

3) Make a deposit of cash or securities for the benefit of the Issuer in an entity whose non-subordinated and unsecured short-term debt has a P-1 rating on the Moody's rating scale, in accordance with the terms of the Credit Support Annex.

(ii) If at any time during the life of the Securitisation Bonds issue neither party B nor any of its guarantors has the "Second Rating Level Required" ("**Breach of the Second Rating Level**"), party B, with the utmost diligence and within the shortest possible time frame will (A) obtain a Guarantor with the Second Rating Level Required, or (B) obtain a Substitute with the Second Rating Level Required (or a Substitute with a Guarantor with the Second Rating Level Required).

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Until the alternatives described above have been carried out, Party B must, within thirty (30) Business Days after the occurrence of the Breach of the Second Rating Level, make a deposit of cash or securities for the benefit of the Issuer in an entity whose non-subordinated and unsecured short-term debt has a P-1 rating on the Moody's rating scale, in accordance with the terms of the Credit Support Annex.

The obligations of Party B under sections (i) and (ii) above, and the Additional Termination Events arising from these, shall only be in effect while the causes leading to the Breach of First Rating Level or Breach of Second Rating Level respectively continue. The amount of the deposit made by Party B under sections (i) and (ii) above will be returned to Party B when the causes of the Breach of the First Rating Level or Breach of the Second Rating Level, respectively, cease to exist.

**"Guarantor"** means the entity which provides an unconditional, irrevocable and first-demand guarantee with respect to the present and future obligations of Party B (the **"Guarantee"**), and provided that (A) a law firm provides a legal opinion confirming that none of the payments made by that entity to Party A under the Guarantee is subject to deductions or withholdings in respect or for the account of a tax; or (B) the Guarantee stipulates that, if such deduction or withholding exists, the payment made by that entity will be grossed up as necessary so that the net payment received by Party A will be equal to the sum that Party A would have received had the deduction or withholding not existed.

**"Substitute"** means the entity which is subrogated to the contractual position of Party B in the Protection Agreement or enters into a new protection contract with Party A, on terms substantially identical to the Protection Agreement (which shall be confirmed by Party A, acting in a diligent manner), and provided that (A) a law firm provides a legal opinion confirming that none of the payments made by that entity to Party A is subject to deductions or withholdings in respect or for the account of a tax; or (B) if such deduction or withholding exists, the payment made by that entity will be grossed up as necessary so that the net payment received by Party A will be equal to the sum that Party A would have received had the deduction or withholding not existed. That entity, for all purposes, will be considered Party B in the Protection Agreement or in the new hedge contract entered into.

An entity shall have the **"First Rating Level Required"** (A) if Moody's rating for its non-subordinated and unsecured short term debt is P-1 and Moody's rating for its non-subordinated and unsecured long term debt is equal to or higher than A2, and (B) if the entity does not have a Moody's rating for its non-subordinated and unsecured short term debt, if Moody's rating for its non-subordinated and unsecured long term debt is equal to or higher than A1.

An entity shall have the **"Second Rating Level Required"** (A) if Moody's rating for its non-subordinated and unsecured short term debt is equal to or higher than P-2 and Moody's rating for its non-subordinated and unsecured long term debt is equal to or higher than A3, and (B) if the entity does not have a Moody's rating for its non-subordinated and unsecured short term debt, if Moody's rating for its non-subordinated and unsecured long term debt is equal to or higher than A3.

**B) S&P criteria:**

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In the event that the continuation of Party B as counterparty to the Swap Agreement could give rise to a downgrade of the ratings granted by S&P to the Securitisation Bonds, party B shall assume the irrevocable commitment to carry out one of the following options within thirty (30) Business Days from the day on which the notification of this circumstance took place, in order to maintain the ratings assigned to each of the Bond Series by S&P:

- (i) find another entity with a minimum rating of A-1 for non-subordinated and unsecured short-term debt, according to the S&P rating scale, that guarantees the obligations arising from the Swap Agreement, under the terms and conditions that the Managing Company and S&P deem appropriate, and that guarantees maintenance of the ratings of the Securitisation Bonds by S&P; or
- (ii) assign its rights and obligations under the Swap Agreement to another institution with a minimum credit rating of A-1 for its non-subordinated and unsecured short-term debt on the S&P scale; or
- (iii) make a deposit of cash or securities in favour of the Fund in an account opened at another entity with a rating for its non-subordinated and unsecured short term risk equal to or higher than A-1 according to the S&P rating scale, in guarantee of compliance with its contractual obligations and for an amount calculated on the basis of the market value of the Swap Agreement (including costs of administration if CAIXA CATALUNYA were to be replaced as administrator) that enables the ratings assigned to each Bond Series to be maintained as required by S&P's Swap criteria in force at the time (in this respect "S&P's Swap Criteria" shall be the official criteria published by S&P that are in force at the time and which define guidelines for quantifying the amount of the aforementioned deposit). In addition, the constitution of the deposit shall be subject, if required by S&P at the moment of the constitution of the deposit, to party B providing a legal opinion that is satisfactory to S&P in relation with the aforementioned deposit.

Depending on the severity of the downgrade of the ratings assigned by S&P to the Bonds that may arise from the continuation of Party B as counterparty to the Interest Swap Agreement, the above being a "Subsequent Rating Event", instead of the measures described above Party B, as soon as reasonably feasible, with the utmost diligence and, in all events, within 10 days following the Subsequent Rating Event and at its cost, will carry out the measures described below:

- (A) assign all of its rights and obligations under the Interest Rate Swap Agreement to another entity with a minimum rating of A-1 for its non-subordinated and unsecured short term debt, according to the S&P rating scale or
- (B) find another entity with a minimum rating of A-1 for non-subordinated and unsecured short-term debt, according to the S&P rating scale, that guarantees the obligations arising from the Swap Agreement, under the terms and conditions that the Managing Company and S&P deem appropriate, and that guarantees maintenance of the ratings of the Securitisation Bonds by S&P; or

So long as any of measures (A) and (B) mentioned above are pending application, Party B will proceed, in the interim and at its cost,

- (C) within 10 days following occurrence of the Subsequent Rating Event, to make a deposit of cash or securities in favour of the Fund in an account opened at another entity with a rating for its non-subordinated and

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unsecured short term risk equal to or higher than A-1 according to the S&P rating scale, in guarantee of compliance with its contractual obligations and in an amount calculated as a function of the market value of the Swap Agreement (including costs of administration if CAIXA CATALUNYA were to be replaced as administrator) that enables the ratings assigned to each Bond Series to be maintained as required by S&P's Swap criteria in force at the time (in this respect "S&P's Swap Criteria" shall be the official criteria published by S&P that are in force at the time and which define guidelines for quantifying the amount of the aforementioned deposit). In addition, the constitution of the deposit shall be subject, if required by S&P at the moment of the constitution of the deposit, to party B providing a legal opinion that is satisfactory to S&P in relation with the aforementioned deposit.

### C) Fitch criteria.

If, at any time during the life of the Securitisation Bond Issue, the rating of the non-subordinated and unsecured long term debt of Party B were to fall below A or F1 for the short term debt, according to Fitch's rating scale, or the ratings assigned by Fitch were to be withdrawn, Party B shall assume the irrevocable commitment to carry out one of the following options within a period of thirty (30) natural days from the day on which this circumstance is notified, in order to maintain the ratings assigned to each of the Bond Series by Fitch:

- (i) find a third entity with a minimum rating of F1 for non-subordinated and unsecured short-term debt and A for non-subordinated and unsecured long-term debt, according to the Fitch rating scale, that guarantees the obligations arising from the Swap Agreement, under the terms and conditions that the Managing Company and Fitch deem appropriate, and that guarantees maintenance of the ratings of the Securitisation Bonds by Fitch; or
- (ii) assign its contractual position in the Swap Agreement to a third-party institution with a minimum credit rating of F1 for its non-subordinated and unsecured short-term debt and A for its non-subordinated and unsecured long-term debt according to the Fitch scale; or
- (iii) make a deposit of cash or securities in favour of the Fund in an account opened at another entity with a rating for its non-subordinated and unsecured short term risk equal to F1 and A for its non-subordinated and unsecured long term risk according to the Fitch rating scale, in guarantee of compliance with its contractual obligations and for an amount calculated on the basis of the market value of the Swap Agreement (including costs of administration if CAIXA CATALUNYA were to be replaced as administrator) that enables the ratings assigned to each Bond Series to be maintained as required by Fitch's Swap criteria in force at the time. In this respect, "the Fitch Swap Criteria" shall be the official criteria published by Fitch in the report "Counterparty Risk in Structured Finance: Swap Criteria" of 13 September 2004, or any that replace or modify these in the future, proposing a formula for estimating the market value of the Swap within fifteen (15) natural days of the loss of A rating by Party B. If this formula were not to be validated by Fitch, an amount will be added in the calculation of the market value equivalent to the result of multiplying (i) 0.50% of the Outstanding Balance of the Mortgage Portfolio by (ii) the average life of the Mortgage Transfer Certificates assuming a CPR of 0%.

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If Party B has a rating of below F2 for its non-subordinated and unsecured short term debt and BBB+ for its long term debt, according to the Fitch rating scale, options (i) or (ii) above will be applied. If Party B continues to opt for option (iii), the market value shall be calculated weekly by an independent third party.

If Party B has a rating of below F3 for its non-subordinated and unsecured short term debt and BBB- for its long term debt, according to the Fitch rating scale, Party B must apply either option (i) or (ii) above within a maximum period of ten (10) natural days from the day on which notification of this circumstance occurs.

All costs, expenses and taxes incurred in the fulfilment of the above obligations will be for the account of Party B.

In the event that more than one rating criteria affect Party B, the measures to be adopted by Party B must satisfy all of the preceding rating criteria of Moody's, S&P and Fitch.

In all events of early termination, Party B will assume the obligation to pay the settlement amount stipulated in the Interest Swap Agreement. If the settlement amount of the relevant Interest Swap Agreement is an obligation of the Issuer (Party A) and not of Party B, the payment thereof by the Issuer (Party A) will be done in accordance with the Order of Priority of Payments.

**(h) Additional Events of Early Termination (Additional Termination Events):**

(i) With respect to Party A and to Party B, when (a) there occurs a default on interest of Class A Bonds and (b) the Managing Company gives notice, as provided in section 4.4.3 of the Registration Document, of the Early Liquidation of the Fund according to the Event of Early Liquidation established in section 4.4.3.1.(a) of the Registration Document. For these purposes, both Parties will be Affected Parties, although for purposes of calculating the settlement amount Party A will be the sole affected party.

(ii) When Party B has failed to meet its obligations in the event of a Downgrade of the Rating of Party B.

("Additional Termination Event" is a concept defined in the ISDA master agreement for the Interest Swap Agreement and it will entail early termination of the relevant Interest Swap Agreement if so decided by the Managing Company, for and on behalf of the Issuer (Party A), or Party B in the event provided for in the preceding paragraph.)

In such event of early termination (Early Termination), Party B will assume the obligation to pay the settlement amount stipulated in the relevant Interest Swap Agreement. If the settlement amount of the relevant Interest Swap Agreement is an obligation of the Issuer (Party A) and not of Party B, the payment thereof by the Issuer (Party A) will be done in accordance with the Order of Priority of Payments or with the Liquidation Order of Priority of Payments, as applicable.

(i) Party B may only assign all of its rights and obligations under the Interest Swap Agreement, with the prior consent of Party A, to another entity whose non-subordinated and unsecured debt has credit ratings of A1 or stronger for its long-term debt from Moody's, and of P-1, A-1 and F1 or stronger for its short-term debt from Moody's, S&P and Fitch, respectively, upon prior notice to the Rating Agencies and to the CNMV.

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(j) The Interest Swap Agreement will be subject to the laws of Spain and to the courts of the city of Barcelona.

(k) The Interest Swap Agreement will be terminated and absolutely null and void if the Rating Agencies prior to the start of the Subscription Period do not confirm as final the provisional ratings assigned to each Series.

(l) The occurrence, where such is the case, of Early Termination of any Interest Swap Agreement will not of its own constitute an event of Early Redemption of the Bond Issue and Early Liquidation of the Fund of those referred to in sections 4.9.4 of the Securities Note and 4.4.3 of the Registration Document, unless in conjunction with other events or circumstances relating to the financial position of the Issuer there is a substantial and permanent disruption of its financial balance.

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

The Managing Company, 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 it 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 consolidated financial information for the last quarter of 2006 and its comparison with respect to the previous year. The information has been prepared in accordance with Bank of Spain Circular 4/2004.

The information at 31 December 2005 has been subject to audit.

	31-12-2006	31-12-2005	Δ%
<b>BALANCE SHEET</b> (€ mn)			
Total Assets	67,551	50,822	32.92%
Total Assets ex-securitisation	62,495	46,890	33.28%
Gross Lending to Customers	43,594	33,990	28.26%
Gross Lending to Customers ex-securitisation	38,809	30,537	27.09%
Funds Managed	50,038	41,050	21.89%
Outside Funds on Balance Sheet	42,434	34,098	24.45%
Other Funds Managed (1)	7,604	6,952	9.38%

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	31-12-2006	31-12-2005	Δ%
Business Volume	93,632	75,040	24.78%
Business Volume ex-securitisation	83,895	67,735	23.86%
Capital and Reserves	4,181	3,064	36.44%
<b>INCOME STATEMENT (€ mn)</b>			
Net interest income	675	642	5.08%
Basic Income	1,012	935	8.16%
Ordinary Income	1,183	990	19.52%
Operating Income	679	499	36.00%
Profit before Taxes	479	353	35.87%
Profit after Taxes	360	277	30.31%
Net Income attributed to the Group	350	269	29.80%
<b>RATIOS</b>			
NPL Rate	0.78%	0.86%	-9.30%
NPL Coverage Rate	246.66%	226.86%	8.73%
Efficiency Ratio (2)	42.62%	49.57%	-14.02%
Strict Efficiency Ratio (3)	54.16%	58.39%	-7.24%
Solvency Ratio	11.10%	10.86%	2.21%
Core Capital	2,159	1,878	14.96%
Stable Capital (4)	2,103	1,643	28.05%
<b>OFFICES AND EMPLOYEES</b>			
Offices (5)	1,118	1,037	7.81%
Employees (5)	62,495	46,890	33.28%

- (1) Investment Funds + Pension Plans and Insurance Technical Reserves + Asset Management.  
(2) (Administrative and Amortisation and Depreciation Expenses +/- Financial income from non-financial activities +/- Other operating revenues) / Ordinary Income  
(3) Administrative and Amortisation and Depreciation Expenses / Ordinary Income.  
(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, Counterparty in the Swap Agreement and Administrator of the Mortgage Loans. A summary description of the related commitments and responsibilities in such capacity as Administrator is given below.

The Managing Company 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.

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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 Managing Company 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 Managing Company 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 and Prospectus.

#### 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 Managing Company, for any damage which may arise out of its negligence.

CAIXA CATALUNYA will indemnify the Issuer, through the Managing Company, 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

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Mortgage Transfer Certificates that will grant in the Deed of Establishment and have been reproduced in section 2.2.b) of this Additional Building Block, 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 Managing Company.

#### 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 Managing Company unless a document is required of it to initiate proceedings for the foreclosure of a Mortgage Loan.

The Administrator will grant to the Managing Company 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 Managing Company, 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 Building Block, 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 Building Block.

Also, in the event of a downgrade of the Administrator's short or long term non-subordinated and unsecured debt rating to below F2, and in accordance with the provisions established by Fitch in its report "Commingling Risk in Structured Finance

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Transactions: Servicer and Account Bank Criteria” of 9 June 2004, that may be regularly updated, changed or replaced, the Administrator must constitute a cash deposit in favour of the Fund at an entity whose non-subordinated and unsecured short term debt has a rating of F1 according to the Fitch rating scale and for an amount that is in line with the criteria of Fitch described in the aforementioned report or in a Fitch document that may replace this in the future.

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 Managing Company 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 Managing Company of any payment demands, judicial proceedings or other circumstances that may affect the Mortgage Loans. CAIXA CATALUNYA will also make available to the Managing Company 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 Managing Company 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 Managing Company, does not obtain a payment commitment satisfactory to the interests of the Issuer. The Administrator will, in any case, commence foreclosure immediately if the Managing Company, 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, the loans referred to by the previous mortgages have been cancelled in full.

In the event of foreclosure of a mortgage, if there are registered at the Land Registry in respect of the property that serves as collateral for the foreclosed mortgage other mortgages with priority over the foreclosed mortgage but which have been cancelled before or at the time of the foreclosure, the Administrator will perform the appropriate legal acts to ensure consistency between the Registry and the real legal status. If the relevant documentation is available, the procedure provided in article 40 and in Title IV of the Mortgage Law will be followed, and, if not, the procedure of article 209 of that statute shall apply.

In the case of non-payment of principal or interest of a Mortgage Transfer Certificate due to non-payment by the Mortgagor, the Managing Company, 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:

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- (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 Managing Company, on behalf and for the account of the Issuer, will have subsidiary standing to initiate foreclosure proceedings of the Mortgage Loan in respect of both principal and of interest
- (iv) Should the proceedings pursued by CAIXA CATALUNYA be suspended, the Issuer, duly represented by the Managing Company, 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 Managing Company, 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 Administrator will be obliged to issue a certificate of the existing balance of the Mortgage Loan.

The Managing Company, 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 Spanish Civil Procedure Act, request to be awarded the mortgaged property in payment of its credit. The Managing Company 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 Managing Company, 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 Managing Company, will maintain its rights of action against the Administrator until its obligations have been fulfilled.

3.7.1.7 Determination of the interest rate.

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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 deed, 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 new appraisal value the percentage applied to determine its 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 Managing Company.

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 Managing Company 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 Managing Company any additional information relating to the First Drawdowns and the Mortgage Loans or the rights arising thereunder that the Managing Company may reasonably request.

3.7.1.12 Subrogation of the Mortgagor.

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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 Managing Company 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 Managing Company 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 frequency or, if applicable, to reduce the term 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 Managing Company 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, but in no event may the Administrator carry out at its own initiative any change in that date to extend it. The Administrator must always act in connection with such extension considering the interests of the Issuer. In all events, the new date of final

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maturity or last repayment may not be later than 15 January 2047, 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, keeping 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 Managing Company, 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 Managing Company 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 Managing Company, 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 Building Block.

#### 3.7.1.14 Notification to the Mortgagors

The Managing Company 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 Managing Company so that the latter can give the Mortgagors notice of the assignment at the time it deems this appropriate. In addition, the Managing Company shall give immediate certified notice of the assignment to the Mortgagors in the following events:

- (i) replacement of CAIXA CATALUNYA in the administration of the Credit Rights;
- (ii) insolvency of CAIXA CATALUNYA or, if the Managing Company becomes aware of any event that may have bearing on the solvency of CAIXA CATALUNYA; and

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(iii) replacement of CAIXA CATALUNYA as the institution where payments by Mortgagors are deposited.

The Managing Company shall inform the Rating Agencies of any notification made pursuant to these requirements.

For the above purposes, CAIXA CATALUNYA undertakes to report to the Managing Company, 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 Managing Company, and undertakes to cooperate with the Managing Company 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 Managing Company, 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 Managing Company, 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 Managing Company in the management and legal representation of the Issuer and of the holders of the Securitisation Bonds.

The Managing Company, 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 Managing Company shall perform for the Issuer those functions attributed to it in Royal Decree 926/1998.

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It also falls to the Managing Company, 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 Managing Company 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 Managing Company of the Issuer except for non-fulfilment of its functions or failure to observe the provisions of the Deed of Establishment and Prospectus.

The Managing Company 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 Building Block.

The activities pursued by the Managing Company 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 Managing Company, to render accounts and to perform the duties under tax laws or other legal duties that rest with the Issuer;

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- (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 Managing Company**

The Managing Company 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 Managing Company 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 Managing Company 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 Managing Company 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 Managing Company 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 Managing Company 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 Managing Company or, in default thereof, by the new management company;

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- (ii) In the event the Managing Company 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 Managing Company will be substituted. The occurrence of any such event will be notified by the Managing Company to the CNMV. In this event, the Managing Company 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 Managing Company 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 Managing Company 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 (4) months from the event leading to the substitution, neither the Managing Company 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 Managing Company 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 Managing Company and shall not be passed on to the Issuer.

The Managing Company 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 Managing Company in relation to the Deed of Establishment and this Prospectus. The Managing Company 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 Managing Company for the performance of its functions**

In consideration for the functions to be performed by the Managing Company, the Issuer will pay to the Managing Company a periodic administration that will accrue daily as from the establishment of the Fund until its termination and be assessed and paid for Interest Periods ended on each Payment Date, subject to the Order of Priority of Payments or, if applicable, the Liquidation Order of Priority of Payments, composed of (i) a minimum fixed amount and (ii) a variable part consisting in a percentage over the Outstanding Principal Balance of Series A1, A2, A3, B, C and D at the start of the Determination Date preceding the relevant Payment Date.

That fee will be considered the gross amount payable in the sense that it includes any direct or indirect tax thereon, or withholding which may apply.

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 A1 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.**

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CAIXA CATALUNYA is acting as counterparty in the Interest Rate Swap Agreement described in section 3.4.7.1 of this Additional Building Block above.

The Treasury Account of the Issuer described in section 3.4.4.1 of this Additional Building Block are initially held in CAIXA CATALUNYA. CAIXA CATALUNYA is also the entity that will make the Loan for Initial Expenses described in section 3.4.3.1 of this Additional Building Block.

The information on CAIXA CATALUNYA is set out in section 5.2 of the Registration Document, and a description of the activities of CAIXA CATALUNYA is given in section 3.5 of this Additional Building Block.

#### 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 Managing Company 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 Managing Company 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 Managing Company, 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 Managing Company 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.

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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 3.4.6.1 of the Additional Building Block.

**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 Managing Company, 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 Managing Company, 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 4.8 and 4.9 of the 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

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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 Managing Company 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 15 July 2007, all in accordance with the terms of this Prospectus.

(ii) Others.

The Issuer, through its Managing Company, 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 Managing Company 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 Managing Company 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 Managing Company 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

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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 Managing Company 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 Managing Company 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 Managing Company according to the foregoing paragraphs may be issued in writing or given by telephone.

- (iv) Reporting to the CNMV

The Managing Company 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**

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## GLOSSARY OF TERMS

### TERMS

“**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.

“**Pro Rata Repayment of Class A**” means the circumstance which must exist in order for their occur to the exceptional pro rata redemption of the Class A Securitisation Bonds (hereinafter, “**Pro Rata Repayment of Class A**”), which consists in that if on the Determination Date immediately preceding the Payment Date in question, the quotient of (a) the Outstanding Balance of the Mortgage Portfolio plus the revenues received from redemptions of the principal of the Mortgage Transfer Certificates during the Determination Date prior to the Payment Date in progress, and (b) the Outstanding Principal Balance of the Securitisation Bonds of Series A1, A2 and A3 is less than or equal to 1.

“**Securitisation Bonds**” means jointly the Securitisation Bonds of Series A1, the Securitisation Bonds of Series A2 and the Securitisation Bonds of Series A3, the Securitisation Bonds of Series B, the Securitisation Bonds of Series C and the Securitisation Bonds of Series D issued against the Fund.

“**Class A Securitisation Bonds**” means jointly the Securitisation Bonds of Series A1, the Securitisation Bonds of Series A2, and the Securitisation Bonds of Series A3.

“**Series A1 Securitisation Bonds**” or “**A1 Bonds**” means the Securitisation Bonds of Series A1 issued against the Fund for a total nominal amount of 200,000,000 euros comprising 2,000 Securitisation Bonds with a nominal value of one hundred thousand (100,000) euros each.

“**Series A2 Securitisation Bonds**” or “**A2 Bonds**” means the Securitisation Bonds of Series A2 issued against the Fund for a total nominal amount of 1,083,000,000 euros comprising 10,830 Securitisation Bonds with a nominal value of one hundred thousand (100,000) euros each.

“**Series A3 Securitisation Bonds**” or “**A3 Bonds**” means the Securitisation Bonds of Series A3 issued against the Fund for a total nominal amount of 200,000,000 euros comprising 2,125 Securitisation Bonds with a nominal value of one hundred thousand (100,000) euros each.

“**Series B Securitisation Bonds**” or “**B Bonds**” means the Securitisation Bonds of Series B issued against the Fund for a total nominal amount of 52,800,000 euros comprising 528 Securitisation Bonds with a nominal value of one hundred thousand (100,000) euros each.

“**Series C Securitisation Bonds**” or “**C Bonds**” means the Securitisation Bonds of Series C issued against the Fund for a total nominal amount of 64,000,000 euros comprising 640 Securitisation Bonds with a nominal value of one hundred thousand (100,000) euros each.

“**Series D Securitisation Bonds**” or “**D Bonds**” means the Securitisation Bonds of Series D issued against the Fund for a total nominal amount of 28,000,000 euros comprising 280 Securitisation Bonds with a nominal value of one hundred thousand (100,000) euros each.

“**CAIXA CATALUNYA**” means Caixa d’Estalvis de Catalunya.

“**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

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virtue of the provisions of section 3.4.7.1 of the Additional Building Block.

“**Mortgage Transfer Certificates**” means the mortgage transfer certificates issued by CAIXA CATALUNYA under article 18 of Law 44/2002, and subscribed by the Issuer.

“**Defaulted Mortgage Transfer Certificates**” means, on a given date, the Mortgage Transfer Certificates that are more than eighteen (18) months past due or whose mortgage collateral has been foreclosed.

“**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 4.9.3.5(ii) for the pro rata repayment of the Securitisation Bonds of Class A and Series B, if applicable, and of Series C if applicable.

“**Paying Agency Agreement for the Securitisation Bonds**” means the paying agency contract for the Securitisation Bonds entered into by the Managing Company, 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 Managing Company, for and on behalf of the Issuer, with CAIXA CATALUNYA, JPMorgan, IXIS CIB and UBS as Lead Managers and Underwriters and Distributors.

“**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 Managing Company, for and on behalf of the Issuer, and CAIXA CATALUNYA.

“**Interest Rate Swap Agreement**” or “**Swap Agreement**” means the floating interest rate swap contract, under the model of the International Swap Dealers Association (“**ISDA**”) Master Agreement, entered into by the Managing Company, 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 Managing Company, 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, construction and rehabilitation of principal residences.

“**Cash Surplus Account**” means the account opened in accordance with the provisions of section 3.4.4.1 of the Additional Building Block, to which the balance of the Treasury 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.

“**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)

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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 corresponding to the First Drawdowns in Forbearance Period, in accordance with the provisions of section 2.2 of the Additional Building Block to this Prospectus.

“**Distribution of the Fund Available for Repayment**” shall mean the rules for the distribution of the Fund Available for Repayment established in section 4.9.3.5(ii) of the Securities Note.

“**Securitisation Bonds Issue**” means the Securitisation Bonds issued against the Issuer with a nominal value of 1,628,000,000 euros, comprised of 16,280 Securitisation Bonds divided into seven Series (Series A1, Series A2, Series A3, Series B, Series C and Series D).

“**Issuing Entity**” means CAIXA CATALUNYA, the issuer of the Mortgage Transfer Certificates.

“**Underwriters and Distributors**” means JPMorgan, CAIXA CATALUNYA, IXIS CIB and UBS.

“**Lead Managers**” means JPMorgan, CAIXA CATALUNYA, IXIS CIB and UBS.

“**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 15 March 2007, 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 15 January, 15 April, 15 July and 15 October 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 15 July 2007.

“**Legal Maturity Date of the Fund**” means the date of final redemption of the Bonds, that is, 15 January 2050 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**” or “**Fund**” means HIPOCAT 11 FONDO DE TITULIZACIÓN DE ACTIVOS.

“**Reserve Fund**” means the Initial Reserve Fund provided for on the Closing Date against Series D 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 Building Block.

“**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 Building Block.

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“**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 Building Block.

“**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 Building Block.

“**Fund Available for Repayment**” means the amount which, with a charge to the Available Funds and ranked sixth (6<sup>th</sup>) in the Priority Order of Payments, which will be retained to redeem the Securitisation Bonds of Series A1, A2, A3, B and C as a whole and without distinction between Series, in an amount equal to the lowest of the following sums: (1) the Theoretical Repayment Amount and (2) the Available Funds on that Payment Date, after deducting the amounts in respect of the items ranked (1<sup>st</sup>) to (5<sup>th</sup>) in the Priority Order of Payments.

“**Fund Available for Repayment of Class A**” means the Fund Available for Repayment subtracting from it the amounts assigned to the payment of Class B and C.

“**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.

“**Theoretical Repayment Amount**” means the positive difference on a given Payment Date between: (A) the sum of the Outstanding Principal Balance of the Securitisation Bonds of Series A1, A2, A3, B and C on the immediately preceding Determination Date; and (B) the Outstanding Balance of the Mortgage Portfolio.

“**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 & Investment Bank.

“**JPMorgan**” means J.P. Morgan Securities, Ltd.

“**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 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 Legal Maturity Date of the Fund, under the

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circumstances and in accordance with the procedure established in section 4.4.3 of the Registration Document.

“**AIAF Market**” means AIAF Fixed Income Market.

“**Interest Rate Determination Time**” means the second Business Day prior to each Payment Date, at 11:00 hours CET. 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 Building Block.

“**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 payment of interest on the First Drawdowns that the Mortgagors may request in accordance with the provisions of section 2.2 of the Additional Building Block.

“**Subscription Period**” means the period between 11:00 hours (CET) on 12 March 2007 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

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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 default interest received from the Mortgage Transfer Certificates during each Determination Period preceding the Payment Date, (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 Building Block, as well as from other amounts deposited in the Treasury Account and, if applicable, the Cash Surplus Account, (v) the Reserve Fund, (vi) any other amounts received by the Issuer, including those resulting from its share in the sale or operation of property adjudicated to it, and (vii) the Net Swap Amounts received under the Swap Agreement or, in case of a downgrade in the rating of CAIXA CATALUNYA, according to the terms of section 3.4.7.1.(e) of the Additional Building Block, the amounts deposited by CAIXA CATALUNYA in an account open for the Issuer or the settlement payment of the Swap.

“**Regulation 809/2004**” means Commission Regulation (EC) 809/2004 of 29 April 2004, which has been amended on certain points by Regulation 1787/2006 of 4 December 2006.

“**Fixed Remuneration**” means the fixed remuneration on the Loan for Initial Expenses established in section 3.4.3.1 of the Additional Building Block.

“**Variable Remuneration**” means the variable remuneration on the Loan for Initial Expenses established in section 3.4.3.1 of the Additional Building Block.

“**Cumulative Balance of Defaulted Mortgage Transfer Certificates**” means the cumulative balance of the Mortgage Transfer Certificates more than eighteen (18) months past due or whose mortgage guarantees have already been foreclosed.

“**Outstanding Principal Balance of the Securitisation Bonds**” means 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, unless the said First Drawdowns in the Forbearance Period represent more than 35% of the Outstanding Balance of the Mortgage Portfolio.

“**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 of First Drawdowns more than eighteen (18) months past due or whose mortgage guarantees have already been enforced.

“**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 A2**” means the Securitisation Bonds of Series A2 issued against the Issuer.

“**Series A3**” means the Securitisation Bonds of Series A3 issued against the Issuer.

“**Series B**” means the Securitisation Bonds of Series B issued against the Issuer.

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“**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.

“**Services**” means the services of management and custody of the Mortgage Loans described in section 3.7.1 of the Additional Building Block.

“**Managing Company**” 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.

“**IRR**” means the internal rate of return within the meaning of section 4.10 of the Securities Note.

“**UBS**” mean UBS Limited.