PROSPECTUS **March 2012**

RURAL CÉDULA I
FONDO DE TITULIZACIÓN DE ACTIVOS

ISSUE OF ASSET-BACKED BONDS

	Moody's
EUR 1,000,000,000	**Aa2**
	(on review for possible downgrade)

Backed by Mortgage Covered Bonds issued by

CAJA RURAL DE GRANADA, S.C.C.

CAJA RURAL DE NAVARRA, S.C.C.

Transferor, Lead Manager and Subscriber

BANCO COOPERATIVO ESPAÑOL

Paying Agent

Banco Cooperativo

Fund established and managed by

Europea de Titulización
Sociedad Gestora de Fondos de Titulización

Prospectus entered in the Registers of the Comisión Nacional del Mercado de Valores on March 8, 2012

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This document is a prospectus (the "**Prospectus**") registered at the Comisión Nacional del Mercado de Valores (*National Securities Market Commission*), as provided for in Commission Regulation (EC) No. 809/2004, April 29, 2004, as currently worded ("**Regulation 809/2004**"), and Royal Decree 1310/2005, November 4, partly implementing Securities Market Act 24/1988, July 28, in regard to admission to trading of securities in official secondary markets, public offerings for sale or subscription and the prospectus required for that purpose ("**Royal Decree 1310/2005**"), and comprises:

1. A description of the major risk factors linked to the Issuer, the securities and the assets backing the issue (the "**Risk Factors**").

2. An asset-backed securities registration document, prepared using the outline provided in Annex VII to Regulation 809/2004 (the "**Registration Document**").

3. A securities note, prepared using the outline provided in Annex XIII to Regulation 809/2004 (the "**Securities Note**").

4. A Securities Note building block, prepared using the block provided in Annex VIII to Regulation 809/2004 (the "**Building Block**").

5. A glossary of definitions.

RISK FACTORS

1 RISKS DERIVED FROM THE ISSUER'S LEGAL NATURE AND OPERATIONS.

a) Nature of the Fund and obligations of the Management Company.

RURAL CÉDULA I FONDO DE TITULIZACIÓN DE ACTIVOS (the "**Fund**" and/or the "**Issuer**") is a separate closed-end fund devoid of legal personality and is managed by a management company, EUROPEA DE TITULIZACIÓN, S.A., SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN (the "**Management Company**" or "**EUROPEA DE TITULIZACIÓN**"), in accordance with Royal Decree 926/1998, May 14, regulating asset securitisation funds and securitisation fund management companies, as currently worded ("**Royal Decree 926/1998**"). The Fund shall be liable only for its obligations to its creditors with its assets.

The Management Company shall discharge for the Fund the functions attributed to it in Royal Decree 926/1998, which include enforcing Bondholders' interests as the manager of third-party portfolios. There shall be no syndicate of bondholders. Therefore, the capacity to enforce Bondholders' interests shall depend on the Management Company's means.

b) Mandatory substitution of the Management Company.

In accordance with article 19 of Royal Decree 926/1998, where the Management Company is adjudged insolvent or has its licence to operate as a securitisation fund management company revoked by the Comisión Nacional del Mercado de Valores (*National Securities Market Commission*) (the "**CNMV**"), it shall find a substitute management company. In any such event, if four months should have elapsed from the occurrence determining the substitution and no new management company should have been found willing to take over management, the Fund shall be liquidated early and the Bonds issued by the same shall be redeemed, in accordance with the provisions of the Deed of Constitution and of this Prospectus.

c) Applicability of the Bankruptcy Act.

Both CAJA RURAL DE GRANADA, S.C.C. and CAJA RURAL DE NAVARRA, S.C.C. (the "**Issuing Institutions**") and BANCO COOPERATIVO ESPAÑOL, S.A. (the "**Transferor**") and the Management Company may be declared insolvent.

In the event of insolvency of the Management Company, it shall be replaced by another management company as provided for in article 19 of Royal Decree 926/1998. Failing a breach by the parties, the structure of the asset securitisation transaction envisaged does not allow for the existence of cash amounts which may be included in the Management Company's estate, because Fund income amounts shall be paid into the accounts opened in the Fund's name by the Management Company (which shall be involved in opening those accounts as the Fund's authorised representative and not just as a mere attorney-in-fact for the Fund, and the Fund would therefore have an absolute right of separation in that respect, on the terms provided for in articles 80 and 81 of Bankruptcy Act 22/2003, July 9, as currently worded (the "**Bankruptcy Act**").

Under the Bankruptcy Act, in the event of insolvency of either Issuing Institution, the Fund, as holder of the Mortgage Covered Bonds, will avail of a special privilege as established in article 90.1.1. That privilege lies in holding the Mortgage Covered Bonds to be senior claims in being determined to be insolvency claims, and they will therefore be paid in the first place out of the assets and rights earmarked for the Mortgage Covered Bonds (i.e., mortgages from time to time registered to the relevant Issuing Institution). Notwithstanding the foregoing, Mortgage Covered Bond principal repayments and interest payments outstanding as of the date of filing for the Issuing Institution to be decreed insolvent will, pursuant to article 84.2.7 of the Bankruptcy Act, be settled during the insolvency of an Issuing Institution as claims against the estate, up to the amount of the relevant Issuing Institution's income on the mortgage loans and credit facilities. The Issuing Institutions have not locked up any replacement assets or linked any derivative financial instrument to the Mortgage Covered Bonds.

In the event that income received by the insolvent Issuing Institution should, due to timing differences, fall short to meet the aforementioned payments, the insolvency administrators will settle the same using financing transactions to comply with the order of payment to the Fund, as the holder of the relevant Mortgage Covered Bond, and the lender shall subrogate to the Fund's position.

In the event that the procedures of article 155.3 of the Bankruptcy Act should have to be observed, payment to all holders of mortgage covered bonds issued by the insolvent Issuing Institution shall be prorated, regardless of the dates of issue of their securities. If a same credit facility should be earmarked for payment of covered bonds and an issue of mortgage bonds, then holders of the latter bonds would be paid in the first place.

If the Transferor should become insolvent, the Fund, acting through the Management Company, shall have a right of separation with respect to the securities representing the Mortgage Covered Bonds on the terms provided for in articles 80 and 81 of the Bankruptcy Act.

In addition, the assigned Mortgage Covered Bonds may be the subject of restitution only in the event of a restitution action being lodged proving the existence of fraud in that assignment, as provided for in section 4 of Additional Provision Five of Act 3/1994, April 14.

d) Limitation of actions.

Bondholders and all other creditors of the Fund shall have no recourse whatsoever against Issuing Institutions who may have defaulted on their payment obligations or against the Transferor. Any such recourse may be used by the Management Company, representing the Fund.

Bondholders and all other creditors of the Fund shall have no recourse whatsoever against the Fund or against the Management Company in the event of non-payment of amounts due by the Fund resulting from the existence of Mortgage Covered Bond payment default or, as the case may be, early redemption, a breach by the Issuing Institution of its obligations or by the counterparties to the transactions entered into for and on behalf of the Fund, or shortfall of the financial hedging transactions for servicing the Bonds.

Bondholders and all other creditors of the Fund shall have no recourse whatsoever against the Fund Management Company other than as derived from breaches of its duties or inobservance of the provisions of the Deed of Constitution and of this Prospectus. Those actions shall be resolved in the relevant ordinary declaratory proceedings depending on the amount claimed.

2 RISKS DERIVED FROM THE SECURITIES.

a) Issue Price.

The Bond issue shall be fully subscribed for by the Subscriber. On the Closing Date, the Subscriber shall sell the Bond issue to the Issuing Institutions. The Bond issue is made in order for the Issuing Institutions to have liquid assets available which may be used as security for Eurosystem transactions or be subsequently sold in the market, and, consequently, the terms of the Bond issue are not an estimate of the prices at which those instruments could be sold in the secondary market or of the Eurosystem's valuations in due course for the purpose of using them as security instruments in its lending transactions to the banking system.

b) Liquidity.

There is no assurance that the Bonds will be traded on the market with a minimum frequency or volume.

In addition, there is no undertaking that any institution will be involved in secondary trading, giving the Bonds liquidity by offering consideration.

Moreover, the Fund may in no event repurchase the Bonds from Bondholders. Nevertheless, the Bonds may be fully subject to early redemption in the event of Early Liquidation of the Fund, on the terms laid down in section 4.4.3 of the Registration Document.

c) Late-payment interest.

Late interest payment or principal repayment to Bondholders shall under no circumstances result in late-payment interest accruing to their favour.

d) Bond Rating.

The credit risk of the Bonds issued by the Fund has been assessed by the rating agency Moody's Investors Service España, S.A. (the "**Rating Agency**").

The Rating Agency may revise, suspend or withdraw the final rating assigned to the Bonds at any time, based on any information that may come to its notice.

This rating is not and cannot therefore be howsoever construed as an invitation, recommendation or encouragement for investors to proceed to carry out any transaction whatsoever on the Bonds and, in particular, acquire, keep, charge or sell those Bonds.

e) Retention of a material net economic interest.

Notwithstanding the fact that the Bonds are referred to as asset-backed bonds, for the record, pursuant to section 5.e) of rule fifty-six bis of Circular 3/2008, May 22, on determining and controlling minimum capital requirements, as worded by Circular 4/2011, November 30 ("**Circular 3/2008**"), since the securitised exposures are mortgage covered bonds issued and secured by the Issuing Institutions, as the securitisation originators, it shall not be necessary for them or for the Transferor or the Subscriber to retain a material net economic interest.

3 RISKS DERIVED FROM THE ASSETS BACKING THE ISSUE.

a) Risk of Mortgage Covered Bond payment default.

The holders of the Bonds issued by the Fund shall bear the risk of payment default on the Mortgage Covered Bonds pooled in the Fund. Collection of both principal and interest on the Mortgage Covered Bonds is especially guaranteed, in accordance with article 12 of Act 2/1981, without any registration entry being required, by mortgage on all those that may be registered to the Issuing Institutions from time to time and are not earmarked for an issue of mortgage bonds or have been participated through a mortgage participation certificate or a mortgage pass-through certificate, notwithstanding their universal general liability. The Issuing Institutions have not locked up any replacement assets or linked any derivative financial instrument arising from the issue of the Mortgage Covered Bonds. The holders of each Issuing Institution's mortgage covered bonds, regardless of their issue date, shall all rank equally with respect to their cover loans and credit facilities.

The Transferor shall, under article 348 of the Commercial Code, be liable to the Fund exclusively for the existence and lawfulness of the Mortgage Covered Bonds, and for the personality with which the assignment is made but will have no liability for payment default by the Issuing Institutions, nor shall it have any liability whatsoever to directly or indirectly guarantee that the transaction will be properly performed nor give any guarantees or security, nor indeed agree to repurchase the Mortgage Covered Bonds, either in the Deed of Constitution of the Fund or in any other agreement or contract. The foregoing shall be without prejudice to the Transferor's liabilities arising from the representations given by the latter in section 2.2.8 of the Building Block.

Section 2.2.2.1 of the Building Block contains relevant financial information on the Issuing Institutions.

b) Mortgage Covered Bond early redemption risk.

The Mortgage Covered Bonds pooled in the Fund may be redeemed early in part or in full as described in section 2.2.13.2.2 of the Building Block. That early redemption risk shall pass to Bondholders as provided in section 4.9 of the Securities Note.

Additionally, the Management Company advises that Bond IRR, duration and redemption may vary with respect to the values given in the Securities Note if that early redemption should occur.

SECURITIES REGISTRATION DOCUMENT

(Annex VII to Commission Regulation (EC) No. 809/2004 of April 29, 2004)

1. PERSONS RESPONSIBLE

1.1 Persons responsible for the information given in the Registration Document.

Mr Mario Masiá Vicente, acting for and on behalf of EUROPEA DE TITULIZACIÓN, S.A., SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, the company sponsoring RURAL CÉDULA I FONDO DE TITULIZACIÓN DE ACTIVOS, takes responsibility for the contents of this Registration Document.

Mr Mario Masiá Vicente, the Management Company's General Manager, is acting using the authorities conferred by the Board of Directors at its meetings held on January 19, 1993 and March 31, 2010, and by the Board of Directors' Executive Committee at its meetings held on January 28, 2000 and November 23, 2009, and specifically for establishing the Fund pursuant to authorities conferred by the Board of Directors' Executive Committee on February 8, 2012.

1.2 Declaration by those responsible for the contents of the Registration Document.

Mr Mario Masiá Vicente declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Registration Document is, to the best of his knowledge, in accordance with the facts and contains no omission likely to affect its contents.

2. STATUTORY AUDITORS

2.1 Fund's Auditors.

In accordance with the provisions of section 4.4.2 of this Registration Document, the Fund has no historical financial information.

The Fund's annual accounts shall be audited and reviewed every year by statutory auditors. The Fund's annual accounts and their audit report shall be filed with the Companies Register and the CNMV.

The Management Company shall proceed to designate, for periods of not more than three (3) years, the statutory auditor who is for that period of time to audit the Fund's annual accounts, reporting that appointment to the CNMV. The designation of an auditor for a given period shall not preclude the designation of that auditor for subsequent periods, observing in any event the laws in force on the subject.

2.2 Accounting policies used by the Fund.

Income and expenditure will be accounted for by the Fund in accordance with the accounting principles applicable from time to time, currently set out mainly in CNMV Circular 2/2009, March 25, on Securitisation Fund accounting rules, annual accounts, public financial statements and non-public statistical information statements, as currently worded.

The Fund's fiscal year shall match a calendar year. However, the first fiscal year will exceptionally begin on the date of establishment of the Fund and the last fiscal year will end on the date on which the Fund terminates.

3. RISK FACTORS

The risk factors linked to the Issuer are described in paragraph 1 of the preceding Risk Factors section of this Prospectus.

4. INFORMATION ABOUT THE ISSUER

4.1 Statement that the Issuer has been established as a securitisation fund.

The Issuer is a closed-end asset securitisation fund to be established in accordance with Spanish laws.

4.2 Legal and commercial name of the Issuer.

The Issuer's name is "RURAL CÉDULA I FONDO DE TITULIZACIÓN DE ACTIVOS" and the following short names may also be used without distinction to identify the Fund:

- RURAL CÉDULA I FTA
- RURAL CÉDULA I F.T.A.

4.3 Place of registration of the Issuer and registration number.

The place of registration of the Fund is in Spain at the CNMV. The Fund has been entered in the Official Registers of the CNMV.

Companies Register

For the record, neither the establishment of the Fund nor the Bonds issued backed by its assets shall be entered in the Companies Register, in pursuance of the facultative authority for which provision is made in article 5.4 of Royal Decree 926/1998.

4.4 Date of incorporation and existence of the Issuer.

4.4.1 Date of establishment of the Fund.

The Management Company shall, with the Transferor and the Issuing Institutions, proceed to execute on March 9, 2012 a public deed whereby RURAL CÉDULA I FONDO DE TITULIZACIÓN DE ACTIVOS will be established, BANCO COOPERATIVO will assign Mortgage Covered Bonds issued by CAJA RURAL DE NAVARRA and CAJA RURAL DE GRANADA to the Fund, and the Fund will issue the Asset-Backed Bonds (the "**Deed of Constitution**"), on the terms provided in article 6 of Royal Decree 926/1998.

The Management Company represents that the contents of the Deed of Constitution shall match the draft Deed of Constitution it has submitted to the CNMV and the terms of the Deed of Constitution shall at no event contradict, change, alter or invalidate the contents of this Prospectus.

As provided for in article seven of Investment Trusts and Companies System and Mortgage Securitisation Funds Act 19/1992, July 7, as currently worded ("**Act 19/1992**"), the Deed of Constitution may be amended, upon request by the Management Company, provided that the amendment (i) does not alter the nature of the assets assigned to the Fund; (ii) does not result in the Fund becoming a mortgage securitisation Fund, and (iii) does not de facto result in a new fund being set up.

In addition, in order to amend the Deed of Constitution, the Management Company shall have to prove:

a) that the consent of all the holders of the securities issued by the Fund was obtained, and also of the lenders and other creditors, if any, existing, provided that they are affected by the amendment; or

b) that the amendment is scarcely relevant, in the CNMV's opinion. In this connection, the Management Company shall have to prove that the amendment is not detrimental to the assurances and rights of the holders of the securities issued, lays down no new obligations therefor and that the rating given to the Bonds by the Rating Agency is upheld or improves after the amendment.

In any event, before the public deed of amendment is executed, the Management Company shall (i) inform the Rating Agency, and (ii) prove to the CNMV satisfaction of the aforementioned requirements.

Upon the CNMV checking that they are satisfied, the Management Company shall execute the deed of amendment and submit a certified copy thereof to the CNMV to be included in the relevant public record. In addition, the amendment of the Deed of Constitution shall be disclosed by the Management Company through the Fund's periodic public information and be posted at the Management Company's website, as the case may be. Where required, a supplement to the Prospectus shall be prepared and disclosed as material information in accordance with the provisions of article 82 of the Securities Market Act.

4.4.2 Existence of the Fund.

The Fund shall commence its operations on the date of execution of the Deed of Constitution.

The Fund shall be in existence until March 13, 2019 or the following Business Day if that is not a Business Day (the "**Final Maturity Date**"), unless there should previously have been a Liquidation as set forth in section 4.4.3 of this Registration Document or any of the events laid down in section 4.4.4 of this Registration Document should occur.

The calendar maturity date (the "**Calendar Maturity Date**") shall be March 13, 2017 or the following Business Day if that is not a Business Day.

The Final Maturity Date shall fall on the second (2^{nd}) year after the Calendar Maturity Date.

4.4.3 Liquidation of the Fund.

4.4.3.1 Following notice served on the CNMV, the Management Company shall be entitled to proceed to early liquidation ("**Liquidation**") of the Fund and thereby early redemption of the entire Bond issue ("**Redemption**") on a date which could be different from a Payment Date and in any of the following events (the "**Liquidation Events**"):

(i) When the Mortgage Covered Bonds are fully redeemed.

(ii) When the Bonds issued are fully redeemed.

(iii) Where, in any event or circumstance whatsoever unrelated to the Fund's operations, a substantial alteration occurs or the financial balance of the Fund is permanently damaged, as provided for in article 11.b) of Royal Decree 926/1998. This event includes such circumstances as the existence of any change in the law or supplementary implementing regulations, the establishment of withholding obligations or other situations which might permanently affect the financial balance of the Fund.

(iv) Mandatorily, in the event that the Management Company should be adjudged insolvent and/or have its licence to operate as a securitisation fund management company revoked by the CNMV, and a period of four months should elapse without a new management company being designated in accordance with the provisions of section 3.7.1.3 of the Building Block to this Prospectus.

(v) If the Management Company should have the express consent and acceptance of all Bondholders and of all lenders and other creditors there may be, as regards both payment of amounts resulting from, and the procedure for, such Liquidation.

(vi) When a payment default occurs indicating a major permanent imbalance in relation to the Bonds issued or that it is about to occur.

(vii) On the Calendar Maturity Date, provided that the payment obligations of the Bonds yet to be repaid in accordance with the Priority of Payments can all be settled.

Bond payment obligations on the Liquidation date of the Fund shall at all events be deemed to be the Outstanding Principal Balance of the Bonds on that date plus interest accrued and not paid until that date, which amounts shall be deemed to be due and payable on that date to all statutory intents and purposes.

4.4.3.2 The following requirements shall have to be satisfied to proceed to that Liquidation of the Fund:

(i) That Bondholders be given not less than fifteen (15) Business Days' notice, as prescribed in section 4.1.3.2 of the Building Block, of the Management Company's resolution to proceed to Liquidation of the Fund.

(ii) That the Management Company previously advise the CNMV and the Rating Agency of the notice referred to in the preceding paragraph.

(iii) Notice of the Management Company's resolution to proceed to Liquidation of the Fund shall contain a description of (i) the event or events triggering Liquidation of the Fund, (ii) the liquidation procedure, and (iii) how the Bond payment obligations are to be honoured and settled in the Priority of Payments.

4.4.3.3 The Fund shall, through its Management Company, proceed to Liquidation of the Fund by realising the Mortgage Covered Bonds and other assets and to redemption of the Bond issue, in the Priority of Payments.

In the event that on the Fund Liquidation date there should be obligations yet to be paid to Bondholders, the Fund shall, through its Management Company, proceed before the Final Maturity Date to sell the Mortgage Covered Bonds and, as the case may be, the other assets remaining in the Fund, and it shall to that end invite a bid from at least five (5) entities who may, in its view, give a reasonable market value, initially not less than the sum of the principal then outstanding plus interest due and not collected on the relevant Mortgage Covered Bond.

4.4.3.4 The Management Company shall forthwith apply all the proceeds from the sale of the Fund's assets to paying the various items, in such manner, amount and order as shall be requisite in the Priority of Payments.

4.4.4 Termination of the Fund.

The Fund shall terminate in any case, after observing and completing the relevant legal procedure, in the following events:

(i) When the Liquidation procedure established in section 4.4.3 above is over.

(ii) At all events, upon final liquidation of the Fund on the Final Maturity Date on March 13, 2019 or the following Business Day if that is not a Business Day.

(iii) Upon the establishment of the Fund terminating in the event that the Rating Agency should not confirm the provisional rating assigned to the Bonds as the final rating by 2pm (CET) on March 12, 2012 and the Issuing Institutions and the Transferor so request.

In the event that there should be any remainder upon the Fund being liquidated and after making all payments to the various creditors by distributing the Available Funds in the Priority of Payments, that remainder shall be for the Issuing Institutions on the liquidation terms of that remainder established by the Management Company.

In any event, the Management Company, acting for and on behalf of the Fund, shall not proceed to terminate the Fund and strike it off the relevant administrative registers until the Mortgage Covered Bonds and the Fund's remaining assets have been liquidated and the Available Funds have been distributed in the Priority of Payments.

Upon a period of three (3) months elapsing from liquidation of the Fund's remaining assets and distribution of the Available Funds, the Management Company shall proceed to terminate the Fund and strike it off the relevant administrative registers and shall execute a statutory declaration before a notary public declaring (i) that the Fund has terminated, and the events triggering its termination, (ii) as the case may be, how Bondholders and the CNMV were notified, and (iii) how the Available Funds were distributed in the Priority of Payments , which shall be the subject of an extraordinary notice, and all other appropriate administrative procedures will be observed. The Management Company will submit that statutory declaration to the CNMV.

4.5 Domicile, legal form and legislation applicable to the Issuer.

Pursuant to article 1.1 of Royal Decree 926/1998, the Fund has no legal personality, and the Management Company is entrusted with establishing, managing and being the authorised representative of the same, and, as manager of third-party portfolios, with representing and enforcing the interests of the holders of the Bonds issued by the Fund it manages and of all its other ordinary creditors.

The Fund shall have the same domicile as the Management Company:

- Street: Lagasca number 120
- Town: Madrid
- Post Code: 28006
- Country: Spain
- Telephone: (34) 91 411 84 67

The establishment of the Fund is subject to Spanish Law and in particular is carried out pursuant to the legal system provided for by (i) Royal Decree 926/1998 and implementing regulations, (ii) Act 19/1992, failing a provision in Royal Decree 926/1998 and to the extent applicable, (iii) Additional Provision Five of Act 3/1994, as currently worded, (iv) Securities Market Act 24/1988, July 28, as currently worded (the "**Securities Market Act**"), in force as of the date of establishment of the Fund, (v) Mortgage Market Regulation Act 2/1981, March 25, as currently worded ("**Act 2/1981**"), (vi) Royal Decree 716/2009, April 24, implementing certain aspects of Act 2/1981, and other mortgage and financial system rules ("**Royal Decree 716/2009**"), (vii) Royal Decree 1310/2005, (viii) Regulation 809/2004, and (ix) all other legal and statutory provisions in force and applicable from time to time.

4.5.1 Tax system of the Fund.

In accordance with the provisions of article 1.2 of Royal Decree 926/1998, additional provision one of Royal Decree 716/2009, April 24; article 7.1.h) of the Consolidation of the Corporation Tax Act approved by Legislative Royal Decree 4/2004, March 5, article 20.One.18 of Value Added Tax Act 37/1992, December 28, article 59 k) of the Corporation Tax Regulations approved by Royal Decree 1777/2004, July 30, article 45.I.B) 15 and 20, of the Consolidation of the Capital Transfer and Documents Under Seal Tax Act approved by Legislative Royal Decree 1/1993, September 24, additional provision five of Act 3/1994, April 14, and Personal Income Tax Act 35/2006, November 28, partly amending the Corporation, Non-Resident Income and Wealth Tax Acts, the most relevant characteristics of each tax under the current tax system of the Fund are mainly as follows:

(i) The establishment of the Fund and all transactions entered into by the Fund are subject to and exempt from the corporate transactions category of Capital Transfer and Documents under Seal Tax.

(ii) Bond issue, subscription, transfer, repayment and redemption are not subject to or exempt from, as the case may be, payment of Value Added Tax and Capital Transfer and Documents Under Seal Tax.

(iii) The Fund pays Corporation Tax, the taxable income being determined in accordance with the provisions of Title IV of the Consolidation of the Corporation Tax Act, applying the general rate in force from time to time, which currently stands at 30%, and subject to common rules regarding tax credit, set-off of losses and other substantial constituent elements of the tax.

Rule 13 of Circular 2/2009 provides that securitisation funds must make valuation adjustments (provisions) for impairment in the value of financial assets. The amendment made by Act 2/2010, March 1, to article 12.2 of the consolidation of the Corporation Tax Act, approved by Legislative

Royal Decree 4/2004, March 5, provides that the rules relating to the circumstances determining deductibility of valuation adjustments due to impairment in the value of debt instruments valued at their depreciated cost held by mortgage securitisation funds and asset securitisation funds shall be laid down by way of implementing regulations. Until such implementing regulations are established, the aforesaid Act 2/2010 has introduced a Transitional Provision thirty-one in the consolidation of the Corporation Tax Act, which makes provision for a transitional tax system whereby the set criteria for credit institutions regarding deductibility of the specific client insolvency risk cover shall apply.

(iv) The management and custody services provided by the Management Company to the Fund are exempt from Value Added Tax.

(v) Transfer of the Mortgage Covered Bonds to the Fund is exempt from Value Added Tax.

(vi) Fund income from returns on the Mortgage Covered Bonds shall not be subject to any withholding whatsoever as provided for in article 59.k) of the Corporation Tax Regulations approved by Royal Decree 1777/2004.

(vii) The reporting duties established by Additional Provision Two of Financial Intermediary Investment Ratios, Equity and Reporting Duties Act 13/1985, as worded by Act 6/2011.

The procedure to satisfy those reporting duties is set out in Royal Decree 1065/2007, July 27, approving General Regulations for tax management and inspection actions and procedures and implementing rules common to procedures applicable to taxes, and as worded by Royal Decree 1145/2011, July 29, amending those General Regulations.

4.6 Issuer's authorised and issued capital.

Not applicable.

5. BUSINESS OVERVIEW

5.1 Brief description of the Issuer's principal activities.

The Fund's activity is to acquire two only singular mortgage covered bonds (the "**Mortgage Covered Bonds**") issued by the Issuing Institutions and to issue asset-backed bonds (either the "**Asset-Backed Bonds**" or the "**Bonds**"), the subscription for which is designed to finance (i) acquisition of the Mortgage Covered Bonds, and (ii) the expenses of setting up the Fund and issue and admission of the Bonds.

5.2 Global overview of the parties to the securitisation program.

- EUROPEA DE TITULIZACIÓN is the Management Company that will establish, manage and be the authorised representative of the Fund and has, together with BANCO COOPERATIVO, structured the financial terms of the Fund and the Bond issue.

  EUROPEA DE TITULIZACIÓN is a securitisation fund management company incorporated in Spain and entered in the CNMV's special register under number 2.

  TIN: A-805144 66 Business Activity Code No.: 6630

  Registered office: Calle Lagasca number 120, 28006 Madrid (Spain).

- CAJA RURAL DE GRANADA, S.C.C. and CAJA RURAL DE NAVARRA, S.C.C. are the Issuing Institutions of the Mortgage Covered Bonds and shall be the Fund's counterparty in the Liquidity Loan and Financial Intermediation Agreements.
- CAJA RURAL DE GRANADA S.C.C. ("**CAJA RURAL DE GRANADA**") is a credit cooperative incorporated in Spain and entered in the Companies Register of Granada, Volume 966, Folio 66, Sheet GR-7223, entry 264.

TIN: F-18009274 Business Activity Code No.: 6419

Registered office: Av. Don Bosco, 2, 18006 Granada (Spain).

Ratings for CAJA RURAL DE GRANADA's short- and long-term unsecured and unsubordinated debt obligations assigned by the Rating Agency, in force at the registration date of this Prospectus:

	Moody's Ratings
Long-term	Baa1 *On review for downgrade* (February 2012)
Short-term	P-2 *On review for downgrade* (February 2012)
Outlook	*Ratings Under Review*

- CAJA RURAL DE NAVARRA S.C.C. ("**CAJA RURAL DE NAVARRA**") is a credit cooperative incorporated in Spain and entered in the Companies Register of Navarre, Volume 11, Folio 175, Sheet NA-183, entry 1.

  TIN: F-31021611 Business Activity Code No.: 6419

  Registered office: Plaza de los Fueros, 1, 31002 Pamplona (Spain).

  Ratings for CAJA RURAL DE NAVARRA's short- and long-term unsecured and unsubordinated debt obligations assigned by the Rating Agency, in force at the registration date of this Prospectus:

	Moody's Ratings
Long-term	A3 *On review for downgrade* (February 2012)
Short-term	P-2 *On review for downgrade* (February 2012)
Outlook	*Ratings Under Review*

- BANCO COOPERATIVO ESPAÑOL, S.A. ("**BANCO COOPERATIVO**") is the Transferor of the Mortgage Covered Bonds to be assigned to the Fund upon being established, and shall be the Lead Manager and the Subscriber of the Bond issue.

  Out of the functions and activities that lead managers may discharge in accordance with article 35.1 of Royal Decree 1310/2005, BANCO COOPERATIVO has, together with the Management Company, structured the financial terms of the Fund and the Bond issue.

  In addition, it shall take on the duties of article 35.3 of the same Royal Decree.

  Moreover, BANCO COOPERATIVO shall be the Fund's counterparty under the Guaranteed Interest Rate Account (Treasury Account), Mortgage Covered Bond Custody and Bond Paying Agent Agreements.

  BANCO COOPERATIVO is a bank incorporated and registered in Spain and entered in the Bank of Spain's Special Register of Banks and Bankers under code number 0198.

  Ratings for BANCO COOPERATIVO's short- and long-term unsecured and unsubordinated debt obligations assigned by the Rating Agency, in force at the registration date of this Prospectus:

	Moody's Ratings
Long-term	A1 *On review for downgrade* (February 2012)
Short-term	P-1 *On review for downgrade* (February 2012)
Outlook	*Ratings Under Review*

- Moody's Investors Service España, S.A. shall be the Rating Agency rating the Bonds.

  Moody's Investors Service España, S.A. is a Spanish company licensed as a rating agency by the CNMV, and is affiliated to and operates in accordance with the methodology, standards and quality control of Moody's Investors Service Limited (both of them "**Moody's**" without distinction).

  TIN: A-80448475

  Registered Office: Príncipe de Vergara number 131, 28002 Madrid (Spain)

- The law firm J&A Garrigues, S.L.P. ("**GARRIGUES**"), an independent adviser, has provided legal advice for establishing the Fund and issuing the Bonds and has been involved in reviewing this Prospectus and in reviewing the transaction and financial service agreements referred to herein and the Deed of Constitution.

  TIN: B-81709081

  Registered Office: Calle Hermosilla number 3, 28001 Madrid (Spain)

BANCO COOPERATIVO has a 0.7965% interest in the share capital of EUROPEA DE TITULIZACIÓN.

CAJA RURAL DE GRANADA and CAJA RURAL DE NAVARRA have a joint 16.793% interest in the share capital of BANCO COOPERATIVO.

The interest each Issuing Institution holds in the share capital of BANCO COOPERATIVO is tabled below.

Issuing Institution	Holding (%)
CAJA RURAL DE GRANADA	7.027%
CAJA RURAL DE NAVARRA	9.766%
TOTAL	**16.793%**

No other direct or indirect ownership or controlling interest whatsoever is known to exist between the above-mentioned legal persons involved in the securitisation transaction.

6. ADMINISTRATION, MANAGEMENT AND SUPERVISORY BODIES

The Management Company, EUROPEA DE TITULIZACIÓN, shall be responsible for managing and being the authorised representative of the Fund on the terms set in Royal Decree 926/1998, Act 19/1992, failing a provision in Royal Decree 926/1998 and to the extent applicable, and other applicable laws, and on the terms of the Deed of Constitution and this Prospectus.

6.1 Incorporation and registration at the Companies Register.

EUROPEA DE TITULIZACIÓN was incorporated in a public deed executed on January 19, 1993 before Madrid Notary Public Mr Roberto Blanquer Uberos, his document number 117, with the prior authorisation of the Economy and Finance Ministry, given on December 17, 1992, and entered in the Companies Register of Madrid at volume 5,461, book 0, folio 49, section 8, sheet M-89355, entry 1, on March 11, 1993; the company was re-registered as a Securitisation Fund Management Company in accordance with the provisions of chapter II and of the single transitional provision of Royal Decree 926/1998, pursuant to an authorisation granted by a Ministerial Order dated October 4, 1999 and in a deed executed on October 25, 1999 before Madrid Notary Public Mr Luis Felipe Rivas Recio, his document number 3,289, which was entered under number 33 of the sheet opened for the Company in said Companies Register.

EUROPEA DE TITULIZACIÓN has perpetual existence, other than upon the occurrence of any of the events of dissolution provided by the laws and the articles of association.

6.2 Audit.

The annual accounts of EUROPEA DE TITULIZACIÓN for the years ended on December 31, 2010, 2009 and 2008 have been audited by Deloitte S.L. and are unqualified. The annual accounts for the year ended on December 31, 2011 are yet to be audited.

6.3 Principal activities.

The exclusive objects of EUROPEA DE TITULIZACIÓN are to establish, manage and be the authorised representative of both asset securitisation funds and mortgage securitisation funds .

EUROPEA DE TITULIZACIÓN manages 102 securitisation funds at the registration date of this registration document, 13 being mortgage securitisation funds and 89 being asset securitisation funds.

The following table itemises the 102 securitisation funds managed, giving their date of establishment and the face amount of the bonds issued by those funds and their outstanding principal balances as at February 29, 2012.

Securitisation Fund	Establishment	Initial Bond issue EUR	Bond Issue Balance 29.02.2012 EUR	?%	Bond Issue Balance 31.12.2011 EUR	?%	Bond issue Balance 31.12.2010 EUR
TOTAL		**161,217,296,652.96**	**72,611,418,303.65**	**-4.12%**	**75,734,822,721.19**	**-13.51%**	**87,562,874,535.58**
Mortgage (FTH)		**15,117,046,652.96**	**3,647,801,901.63**	**-24.40%**	**4,825,448,177.29**	**-13.24%**	**5,561,622,193.86**
Bankinter 15 FTH	08.10.2007	1,525,500,000.00	Liquidated	-100.00%	1,108,726,167.74	-7.56%	1,199,380,289.54
Bankinter 14 FTH	19.03.2007	964,000,000.00	680,394,055.96	0.00%	680,394,055.96	-6.73%	729,454,590.12
Bankinter 12 FTH	06.03.2006	1,200,000,000.00	675,335,112.16	0.00%	675,335,112.16	-8.46%	737,718,605.28
Valencia Hipotecario 2 FTH	07.12.2005	950,000,000.00	441,927,379.25	-2.98%	455,492,117.00	-9.69%	504,368,283.20
Bankinter 11 FTH	28.11.2005	900,000,000.00	493,831,826.48	-2.56%	506,798,281.44	-7.99%	550,820,207.52
Bankinter 7 FTH	18.02.2004	490,000,000.00	171,741,825.58	0.00%	171,741,825.58	-10.23%	191,312,099.22
Bankinter 5 FTH	16.12.2002	710,000,000.00	189,918,633.79	-3.49%	196,795,424.22	-11.60%	222,631,087.77
BZ Hipotecario 4 FTH	27.11.2002	313,400,000.00	Liquidated		Liquidated		62,053,257.70
Rural Hipotecario IV FTH	14.11.2002	520,000,000.00	116,224,453.06	-4.00%	121,068,226.42	-13.32%	139,680,009.64
Bancaja 4 FTH	05.11.2002	1,000,000,000.00	202,902,679.75	0.00%	202,902,679.75	-11.83%	230,119,577.75
Bankinter 4 FTH	24.09.2002	1,025,000,000.00	273,409,753.22	-4.12%	285,146,195.52	-13.20%	328,510,519.60
Rural Hipotecario III FTH	14.05.2002	325,000,000.00	63,289,695.61	0.00%	63,289,695.61	-16.44%	75,737,817.46
Bankinter 3 FTH	22.10.2001	1,322,500,000.00	268,764,350.92	-4.60%	281,709,433.86	-14.61%	329,921,227.27
BZ Hipotecario 3 FTH	23.07.2001	310,000,000.00	Liquidated		Liquidated		45,754,060.63
Rural Hipotecario II FTH	29.05.2001	235,000,000.00	28,528,300.60	-6.06%	30,368,147.80	-21.20%	38,537,858.80
BZ Hipotecario 2 FTH	28.04.2000	285,000,000.00	Liquidated		Liquidated		23,975,263.74
Rural Hipotecario I FTH	22.02.2000	200,000,000.00	Liquidated		Liquidated		19,231,143.08
Bankinter 2 FTH	25.10.1999	320,000,000.00	41,533,835.25	-9.08%	45,680,814.23	-16.64%	54,799,694.62
Bankinter 1 FTH	12.05.1999	600,000,000.00	Liquidated		Liquidated		57,766,431.60
BZ Hipotecario 1 FTH	16.04.1999	350,000,000.00	Liquidated		Liquidated		19,850,169.32
Hipotecario 2 FTH	04.12.1998	1,051,771,182.67	Liquidated		Liquidated		Liquidated
Bancaja 2 FTH	23.10.1998	240,404,841.75	Liquidated		Liquidated		Liquidated
Bancaja 1 FTH	18.07.1997	120,202,420.88	Liquidated		Liquidated		Liquidated
BBV-MBS I FTH	30.11.1995	90,151,815.66	Liquidated		Liquidated		Liquidated
Hipotecario 1 FTH	20.09.1993	69,116,392.00	Liquidated		Liquidated		Liquidated
Asset (FTA)		**146,100,250,000.00**	**68,963,616,402.02**	**-2.74%**	**70,909,374,543.90**	**-13.53%**	**82,001,252,341.72**
VALENCIA ACTIVOS 1 FTA	24.01.2012	1,312,000,000.00	1,312,000,000.00				
BBVA EMPRESAS 6 FTA	19.12.2011	1,200,000,000.00	1,152,467,680.80	-3.96%	1,200,000,000.00		
BBVA RMBS 10 FTA	20.06.2011	1,600,000,000.00	1,571,177,616.00	-0.89%	1,585,356,332.80		
BBVA Empresas 5 FTA	14.03.2011	1,250,000,000.00	966,680,795.00	0.00%	966,680,795.00		
MBS BANCAJA 8 FTA	23.12.2010	450,000,000.00	432,383,935.05	0.00%	432,383,935.05	-3.91%	450,000,000.00
BBVA CONSUMO 5 FTA	20.12.2010	900,000,000.00	837,353,070.00	-6.96%	900,000,000.00	0.00%	900,000,000.00
MBS BANCAJA 7 FTA	23.07.2010	875,000,000.00	824,785,157.00	-1.20%	834,820,490.00	-3.48%	864,925,166.00
BBVA Empresas 4 FTA	19.07.2010	1,700,000,000.00	988,234,480.00	-8.72%	1,082,682,060.00	-32.18%	1,596,388,740.00
Bankinter 20 FTA	12.07.2010	1,650,000,000.00	Liquidated		Liquidated	-100.00%	1,602,922,695.00
BBVA RMBS 9 FTA	19.04.2010	1,295,000,000.00	1,214,533,621.00	0.00%	1,214,533,621.00	-4.74%	1,274,911,442.00
BBVA Empresas 3 FTA	21.12.2009	2,600,000,000.00	1,213,320,472.00	0.00%	1,213,320,472.00	-38.38%	1,968,910,853.00
BBVA Consumo 4 FTA	09.12.2009	1,100,000,000.00	748,147,485.39	0.00%	748,147,485.39	-31.99%	1,100,000,000.00
Rural Hipotecario XII FTA	04.11.2009	910,000,000.00	794,086,349.32	0.00%	794,086,349.32	-6.34%	847,802,185.30
Bancaja Leasing 1 FTA	22.10.2009	800,000,000.00	541,087,654.40	0.00%	541,087,654.40	-17.85%	658,673,273.60
PYME Bancaja 8 FTA	29.07.2009	510,000,000.00	281,982,207.78	0.00%	281,982,207.78	-18.07%	344,193,599.13
BBVA RMBS 8 FTA	16.07.2009	1,220,000,000.00	1,023,222,078.84	0.00%	1,023,222,078.84	-7.51%	1,106,304,183.76
FTGENVAL Bancaja 1 FTA	27.05.2009	300,000,000.00	263,879,313.26	-1.59%	268,141,616.07	-4.53%	280,869,849.15
Bankinter 19 FTA	27.04.2009	1,650,000,000.00	0.00		Liquidated	-100.00%	1,440,640,904.94
Bancaja - BVA VPO 1 FTA	03.04.2009	390,000,000.00	321,722,826.78	-2.10%	328,624,627.26	-7.10%	353,724,619.20
Bankinter Empresas 1 FTA	16.03.2009	710,000,000.00	410,612,565.68	0.00%	410,612,565.68	-19.07%	507,391,301.24
PYME Valencia 2 FTA	13.03.2009	500,000,000.00	228,326,636.75	0.00%	228,326,636.75	-22.65%	295,184,183.75
BBVA Empresas 2 FTA	09.03.2009	2,850,000,000.00	1,157,626,374.48	-8.88%	1,270,431,239.52	-25.90%	1,714,432,684.80
Rural Hipotecario XI FTA	25.02.2009	2,200,000,000.00	1,750,043,247.92	0.00%	1,750,043,247.92	-6.95%	1,880,767,855.01
MBS Bancaja 6 FTA	02.02.2009	1,000,000,000.00	806,759,694.40	-1.64%	820,172,342.40	-6.39%	876,127,772.80
Financiación Bancaja 1 FTA	22.12.2008	550,000,000.00	111,124,552.00	0.00%	111,124,552.00	-44.75%	201,118,094.65

Securitisation Fund	Establishment	Initial Bond issue EUR	Bond Issue Balance 29.02.2012 EUR	?%	Bond Issue Balance 31.12.2011 EUR	?%	Bond issue Balance 31.12.2010 EUR
Valencia Hipotecario 5 FTA	17.12.2008	500,000,000.00	404,385,494.00	-1.68%	411,306,184.40	-6.97%	442,104,609.20
Bancaja 13 FTA	09.12.2008	2,895,000,000.00	2,480,634,978.58	-1.03%	2,506,568,867.33	-3.74%	2,604,066,078.68
BBVA RMBS 7 FTA	24.11.2008	8,500,000,000.00	5,970,729,541.60	0.00%	5,970,729,541.60	-9.45%	6,593,588,905.30
BBVA RMBS 6 FTA	10.11.2008	4,995,000,000.00	3,812,738,365.38	-2.08%	3,893,824,944.91	-7.00%	4,187,017,498.33
Bankinter 18 FTA	10.11.2008	1,500,000,000.00	Liquidated	-100.00%	1,254,975,229.13	-6.66%	1,344,584,553.88
PYME Bancaja 7 FTA	10.10.2008	1,100,000,000.00	430,779,963.92	0.00%	430,779,963.92	-16.90%	518,370,560.00
Bankinter 4 FTPYME FTA	15.09.2008	400,000,000.00	229,463,366.60	-3.77%	238,451,557.60	-15.92%	283,607,840.00
BBVA-8 FTPYME FTA	21.07.2008	1,100,000,000.00	368,427,294.83	0.00%	368,427,294.83	-29.77%	524,606,673.08
Rural Hipotecario X FTA	25.06.2008	1,880,000,000.00	1,363,762,695.04	-2.26%	1,395,269,544.96	-8.04%	1,517,237,799.68
Bankinter Leasing 1 FTA	23.06.2008	400,000,000.00	104,314,590.76	-11.06%	117284788.8	-39.76%	194,687,942.92
Bankinter 17 FTA	09.06.2008	1,000,000,000.00	Liquidated	-100.00%	767,997,384.25	-7.72%	832,283,990.50
BBVA RMBS 5 FTA	26.05.2008	5,000,000,000.00	3,764,085,210.00	0.00%	3764085210	-6.34%	4,018,823,155.00
MBS Bancaja 5 FTA	08.05.2008	1,850,000,000.00	Liquidated		Liquidated		Liquidated
BBVA Consumo 3 FTA	14.04.2008	975,000,000.00	294,738,781.35	-11.26%	332,127,673.80	-33.57%	499,981,899.30
Bancaja 12 FTA	09.04.2008	2,100,000,000.00	Liquidated		Liquidated		Liquidated
Bankinter 16 FTA	10.03.2008	2,043,000,000.00	Liquidated		Liquidated	-100.00%	1,676,701,823.20
BBVA-7 FTGENCAT FTA	11.02.2008	250,000,000.00	61,728,231.99	-8.84%	67,713,518.78	-31.08%	98,251,038.02
Valencia Hipotecario 4 FTA	21.12.2007	978,500,000.00	718,689,939.84	-1.64%	730,678,561.24	-6.17%	778,705,220.62
Ruralpyme 3 FTA	19.12.2007	830,000,000.00	Liquidated		Liquidated	-100.00%	428,126,753.76
BBVA RMBS 4 FTA	19.11.2007	4,900,000,000.00	3,195,402,160.00	-1.92%	3,257,819,360.00	-8.51%	3,560,901,172.00
Bankinter 3 FTPYME FTA	12.11.2007	617,400,000.00	305,895,985.53	-5.08%	322,251,014.76	-14.30%	376,004,300.94
BBVA Empresas 1 FTA	05.11.2007	1,450,000,000.00	274,724,231.68	-10.37%	306,513,931.68	-33.98%	464,278,270.24
FTPYME Bancaja 6 FTA	26.09.2007	1,027,000,000.00	243,661,792.11	0.00%	243,661,792.11	-18.59%	299,294,124.51
BBVA RMBS 3 FTA	23.07.2007	3,000,000,000.00	2,273,165,331.30	-0.95%	2,295,059,461.95	-3.94%	2,389,246,080.00
PYME Valencia 1 FTA	20.07.2007	865,300,000.00	232,347,770.92	0.00%	232,347,770.92	-17.36%	281,143,520.08
Bancaja 11 FTA	16.07.2007	2,022,900,000.00	1,398,814,254.60	-2.24%	1,430,795,244.20	-6.90%	1,536,849,365.20
BBVA Leasing 1 FTA	25.06.2007	2,500,000,000.00	548,423,393.02	-9.75%	607,684,886.08	-35.45%	941,401,503.16
BBVA-6 FTPYME FTA	11.06.2007	1,500,000,000.00	313,922,380.73	0.00%	313,922,380.73	-29.89%	447,748,657.37
BBVA Finanzia Autos 1 FTA	30.04.2007	800,000,000.00	180,349,928.00	-11.35%	203,440,042.40	-36.93%	322,565,825.60
MBS Bancaja 4 FTA	27.04.2007	1,873,100,000.00	1,061,565,729.65	-2.40%	1,087,706,925.47	-9.17%	1,197,528,625.66
Rural Hipotecario IX FTA	28.03.2007	1,515,000,000.00	941,036,446.47	-2.12%	961,453,690.59	-7.81%	1,042,902,388.55
BBVA RMBS 2 FTA	26.03.2007	5,000,000,000.00	3,302,634,480.00	0.00%	3,302,634,480.00	-6.24%	3,522,613,680.00
BBVA RMBS 1 FTA	19.02.2007	2,500,000,000.00	1,664,011,440.00	0.00%	1,664,011,440.00	-7.31%	1,795,300,220.00
Bancaja 10 FTA	26.01.2007	2,631,000,000.00	1,661,752,279.30	-1.89%	1,693,844,378.20	-7.61%	1,833,377,080.70
BBVA Consumo 2 FTA	27.11.2006	1,500,000,000.00	341,753,989.31	0.00%	341,753,989.31	-38.39%	554,726,763.44
Ruralpyme 2 FTPYME FTA	24.11.2006	617,050,000.00	181,242,612.10	-6.11%	193,034,343.10	-22.06%	247,667,951.10
Bankinter 13 FTA	20.11.2006	1,570,000,000.00	985,871,497.62	-2.28%	1,008,858,308.40	-7.52%	1,090,917,828.60
Valencia Hipotecario 3 FTA	15.11.2006	911,000,000.00	531,949,182.01	0.00%	531,949,182.01	-8.54%	581,629,026.51
BBVA-5 FTPYME FTA	23.10.2006	1,900,000,000.00	259,776,174.72	0.00%	259,776,174.72	-33.90%	393,001,192.15
PYME Bancaja 5 FTA	02.10.2006	1,178,800,000.00	170,877,713.04	-6.28%	182,328,322.54	-17.78%	221,764,846.04
Bankinter 2 PYME FTA	26.06.2006	800,000,000.00	257,155,138.60	-5.01%	270,714,253.40	-17.13%	326,683,060.80
Consumo Bancaja 1 FTA	26.06.2006	612,900,000.00	58,395,596.13	-15.53%	69,129,871.11	-47.68%	132,129,498.42
Rural Hipotecario VIII FTA	26.05.2006	1,311,700,000.00	697,444,249.20	-2.34%	714,150,476.76	-9.02%	784,967,531.08
BBVA Consumo 1 FTA	08.05.2006	1,500,000,000.00	228,390,501.75	-12.11%	259,861,757.25	-39.32%	428,278,816.50
MBS Bancaja 3 FTA	03.04.2006	810,000,000.00	379,688,629.20	0.00%	379,688,629.20	-8.42%	414,581,676.00
Bancaja 9 FTA	02.02.2006	2,022,600,000.00	989,461,110.00	0.00%	989,461,110.00	-7.41%	1,068,645,240.00
BBVA Autos 2 FTA	12.12.2005	1,000,000,000.00	166,404,990.25	-11.27%	187,547,696.65	-36.39%	294,838,633.00
EdT FTPYME Pastor 3 FTA	05.12.2005	520,000,000.00	46,852,380.10	-8.77%	51,353,879.15	-33.70%	77,452,747.47
Rural Hipotecario Global I FTA	18.11.2005	1,078,000,000.00	487,106,721.45	-2.55%	499,841,141.46	-9.93%	554,940,359.11
FTPYME Bancaja 4 FTA	07.11.2005	1,524,000,000.00	Liquidated		Liquidated	-100.00%	173,615,860.00
BBVA-4 PYME FTA	26.09.2005	1,250,000,000.00	79,432,912.68	-9.71%	87,973,993.23	-36.47%	138,483,007.62
Bankinter 10 FTA	27.06.2005	1,740,000,000.00	842,937,929.07	0.00%	842,937,929.07	-9.03%	926,568,906.58
MBS Bancaja 2 FTA	27.06.2005	809,200,000.00	277,694,797.68	-2.74%	285,510,004.48	-9.60%	315,822,324.56
BBVA Hipotecario 3 FTA	13.06.2005	1,450,000,000.00	233,491,890.34	-8.27%	254,546,844.27	-27.33%	350,291,439.85
Rural Hipotecario VII FTA	29.04.2005	1,100,000,000.00	463,741,689.86	0.00%	463,741,689.86	-10.41%	517,645,657.01
Bancaja 8 FTA	22.04.2005	1,680,100,000.00	678,370,876.01	-2.02%	692,321,542.11	-7.71%	750,143,953.12
Bankinter 9 FTA	14.02.2005	1,035,000,000.00	469,489,567.72	-2.87%	483,338,069.03	-9.61%	534,746,763.92
BBVA-3 FTPYME FTA	29.11.2004	1,000,000,000.00	65,535,617.16	-9.81%	72,659,980.28	-35.27%	112,250,270.07
Ruralpyme 1 FTPYME FTA	23.11.2004	214,000,000.00	29,493,440.50	0.00%	29,493,440.50	-28.44%	41,215,876.63
BBVA Autos 1 FTA	25.10.2004	1,000,000,000.00	36,059,304.40	0.00%	36,059,304.40	-59.49%	89,014,220.00
FTPYME Bancaja 3 FTA	11.10.2004	900,000,000.00	71,308,545.46	0.00%	71,308,545.46	-21.88%	91,282,241.50
Bancaja 7 FTA	12.07.2004	1,900,000,000.00	611,361,400.51	-2.71%	628,416,583.55	-9.44%	693,905,381.26
Rural Hipotecario VI FTA	07.07.2004	950,000,000.00	340,123,766.89	-3.11%	351,034,856.65	-10.28%	391,274,194.95
MBS Bancaja 1 FTA	17.05.2004	690,000,000.00	129,948,645.18	-5.12%	136,955,620.14	-16.39%	163,798,028.26
Valencia Hipotecario 1 FTA	23.04.2004	472,000,000.00	145,512,683.53	-3.95%	151,493,874.02	-13.31%	174,746,077.87
Bankinter 8 FTA	03.03.2004	1,070,000,000.00	383,670,352.11	0.00%	383,670,352.11	-10.58%	429,086,989.59
Bancaja 6 FTA	03.12.2003	2,080,000,000.00	506,207,562.12	-2.92%	521,443,332.28	-10.49%	582,570,910.48
Rural Hipotecario V FTA	28.10.2003	695,000,000.00	211,494,692.56	0.00%	211,494,692.56	-11.43%	238,777,707.58
Bankinter 6 FTA	25.09.2003	1,350,000,000.00	468,033,895.11	-3.50%	484,996,548.29	-11.19%	546,095,665.27
FTPYME Bancaja 2 FTA	19.09.2003	500,000,000.00	42,856,192.25	-6.09%	45,634,369.40	-23.28%	59,484,796.55
Bancaja 5 FTA	14.04.2003	1,000,000,000.00	227,132,807.20	-3.24%	234,741,926.20	-11.22%	264,413,136.50
Bancaja 3 FTA	29.07.2002	520,900,000.00	192,757,357.15	0.00%	192,757,357.15	-17.90%	234,785,244.22

Securitisation Fund	Establishment	Initial Bond issue EUR	Bond Issue Balance 29.02.2012 EUR	?%	Bond Issue Balance 31.12.2011 EUR	?%	Bond issue Balance 31.12.2010 EUR
FTPYME Bancaja 1 FTA	04.03.2002	600,000,000.00	Liquidated		Liquidated		Liquidated
BBVA-2 FTPYME-ICO	01.12.2000	900,000,000.00	Liquidated		Liquidated		19,278,789.30
BCL Municipios I FTA	21.06.2000	1,205,000,000.00	120,846,120.00	-5.77%	128,247,180.00	-24.80%	170,539,170.00
BBVA-1 FTA *	24.02.2000	1,112,800,000.00	Liquidated		Liquidated		Liquidated

6.4 **Share capital and equity.**

The Management Company's wholly subscribed for, paid-up share capital amounts to one million eight hundred and three thousand and thirty-seven Euros and fifty Eurocents (EUR 1,803,037.50) represented by 2,500 registered shares, all in the same class, correlatively numbered from 1 to 2,500, both inclusive, wholly subscribed for and paid up, and divided into two series:

- Series A comprising 1,250 shares, numbers 1 to 1,250, both inclusive, having a unit face value of EUR 276.17.
- Series B comprising 1,250 shares, numbers 1,251 to 2,500, both inclusive, having a unit face value of EUR 1,166.26.

The shares are all in the same class and confer identical political and economic rights.

(EUR)	31.12.2011 **	?%	31.12.2010	?%	31.12.2009
Equity *	**22,586,328.87**	**37.68%**	**16,405,469.49**	**59.88%**	**10,260,817.24**
Capital	1,803,037.50	0.00%	1,803,037.50	0.00%	1,803,037.50
Reserves	20,783,291.37	42.33%	14,602,431.99	72.65%	8,457,779.74
Legal	*360,607.50*	0.00%	*360,607.50*	*0.00%*	*360,607.50*
Voluntary	*20,422,683.87*	43.40%	*14,241,824.49*	*75.89%*	*8,097,172.24*
Year's profit	**5,795,522.54**	**-6.23%**	**6,180,859.38**	**0.59%**	**6,144,652.25**

* Does not include year's profit
** Yet to be audited

6.5 **Existence or not of shareholdings in other companies.**

There are no shareholdings in any other company.

6.6 **Administrative, management and supervisory bodies.**

Under the articles of association, the General Shareholders' Meeting and the Board of Directors are entrusted with governing and managing the Management Company. Their duties and authorities are as prescribed for those bodies in the Consolidation of the Companies Act and in Royal Decree 926/1998, in relation to the objects.

As provided for in the articles of association, the Board of Directors has delegated to an Executive Committee all its authorities that may be delegated by law and in accordance with the articles, including resolving to set up Asset Securitisation Funds. There is also a General Manager vested with extensive authorities within the organisation and vis-à-vis third parties.

Board of Directors

The Board of Directors has the following membership:

Chairman: Mr Sergio Fernández-Pacheco Ruiz-Villar (*) (**)

Vice-Chairman: Mr Pedro María Urresti Laca (**)

Directors: Mr Ignacio Echevarría Soriano (*) (**)
Ms Ana Fernández Manrique (**)
Mr Mario Masiá Vicente (*)
Mr Justo de Rufino Portillo (*) (**)
Mr Jorge Sáenz-Azcúnaga Carranza (**)
Ms Gloria Hernández García on behalf of Bankinter, S.A.
Mr Ignacio Benlloch Fernández-Cuesta, on behalf of Banco Cooperativo Español, S.A.

Non-Director Secretary: Ms Belén Rico Arévalo

(*) Member of the Board of Directors' Executive Committee.
(**) Proprietary Directors for BBVA.

General Manager.

The Management Company's General Manager is Mr Mario Masiá Vicente.

6.7 **Principal activities of the persons referred to in section 6.1.6 above, performed outside the Management Company where these are significant with respect to the Fund.**

Mr Ignacio Benlloch Fernández-Cuesta is currently a member of staff of BANCO COOPERATIVO, in turn the Transferor of the Mortgage Covered Bonds and Lead Manager, Subscriber and Paying Agent of the Bond issue and counterparty in the Guaranteed Interest Rate Account (Treasury Account) and Mortgage Covered Bond Custody Agreements.

6.8 **Lenders of the Management Company in excess of 10 percent.**

The Management Company has received no loan or credit from any person or institution whatsoever.

6.9 **Litigation in the Management Company.**

The Management Company is not as at the registration date of this Registration Document involved in any event in the nature of insolvency or in any litigation and actions which might affect its economic and financial position or, in the future, its capacity to discharge its Fund management and administration duties.

7. MAJOR SHAREHOLDERS

7.1 Statement as to whether the Management Company is directly or indirectly owned or controlled.

The ownership of shares in the Management Company is distributed among the companies listed below, specifying the percentage share capital holding of each one:

Name of shareholder company	Holding (%)
Banco Bilbao Vizcaya Argentaria, S.A.	87.5041
J.P. Morgan España, S.A.	4.0000
Bankinter, S.A.	1.5623
Banco CAM, S.A.	1.5420
Banco de Sabadell, S.A.	1.5317
Banco Cooperativo Español, S.A.	0.7965
Banco Pastor, S.A.	0.7658
CaixaBank, S.A.	0.7658
BNP Paribas España, S.A.	0.7658
Bankia, S.A.	0.3829
Banco de Caja España de Inversiones, Salamanca y Soria, S.A.	0.3829
	100.0000

For the purposes of Commercial Code article 42, EUROPEA DE TITULIZACIÓN is a member of Banco Bilbao Vizcaya Argentaria Group.

EUROPEA DE TITULIZACIÓN has established an Internal Code of Conduct in fulfilment of the provisions of Chapter III of Royal Decree 217/2008, February 15, on the legal system of investment services companies and other undertakings providing investment services and partially amending the implementing Regulations of Undertakings for Collective Investment Act 35/2003, November 4, approved by Royal Decree 1309/2005, November 4, which has been notified to the CNMV.

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

8.1 Statement as to commencement of operations and financial statements of the Issuer as at the date of the Registration Document.

In accordance with the provisions of section 4.4.2 of this Registration Document, the Fund's operations shall commence on the date of execution of the Deed of Constitution and therefore the Fund has no financial statement as at the date of this Registration Document.

8.2 Historical financial information where an issuer has commenced operations and financial statements have been prepared.

Not applicable.

8.2 bis Historical financial information for issues of securities having a denomination per unit of at least EUR 50,000.

Not applicable.

8.3 Legal and arbitration proceedings.

Not applicable.

8.4 Material adverse change in the Issuer's financial position.

Not applicable.

9. THIRD PARTY INFORMATION, STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST

9.1 Statement or report attributed to a person as an expert.

No statement or report is included.

9.2 Information sourced from a third party.

No information sourced from a third party is included.

10. DOCUMENTS ON DISPLAY

10.1 Documents on display.

If necessary, the following documents or copies thereof shall be on display during the period of validity of this Registration Document and throughout the life of the Fund:

a) the Deed of Constitution of the Fund;

b) the transcripts of the Management Company's, the Issuing Institutions' and the Transferor's corporate resolutions;

c) this Prospectus;

d) the Rating Agency's letters notifying the provisional and final rating assigned to the Bonds;

e) the letter from BANCO COOPERATIVO taking responsibility, with the Management Company, for the Securities Note (including the Building Block);

f) the notarial certificate of payment of the Bond issue, once the Bond issue is paid up;

g) the Issuing Institutions' certificates as to the assets and the report issued by the Management Company in regard to their verification, ownership and conditions.

h) the Management Company's annual accounts and the relevant audit reports; and

i) the Management Company's articles of association and memorandum of association.

Those documents are physically on display at the registered office of EUROPEA DE TITULIZACIÓN at Madrid, calle Lagasca number 120.

Moreover, the Prospectus is also on display at the website of EUROPEA DE TITULIZACIÓN, at www.edt-sg.es, and of the CNMV at www.cnmv.es.

The Deed of Constitution of the Fund is physically on display at the place of business of Iberclear in Madrid, Plaza de la Lealtad number 1, and at the CNMV's headquarters.

In addition, the documents listed in a) to h) are on display at the CNMV.

SECURITIES NOTE

(Annex XIII to Commission Regulation (EC) No. 809/2004 of April 29, 2004)

1 PERSONS RESPONSIBLE

1.1 Persons responsible for the information given in the Securities Note.

Mr Mario Masiá Vicente, acting for and on behalf of EUROPEA DE TITULIZACIÓN S.A. SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, the company sponsoring RURAL CÉDULA I FONDO DE TITULIZACIÓN DE ACTIVOS, takes responsibility for the contents of this Securities Note (including the Building Block).

Mr Mario Masiá Vicente, the Management Company's General Manager, is acting using the authorities conferred by the Board of Directors at its meetings held on January 19, 1993 and March 31, 2010, and by the Board of Directors' Executive Committee at its meetings held on January 28, 2000 and November 23, 2009, and expressly for establishing the Fund, pursuant to authorities conferred by the Board of Directors' Executive Committee on February 8, 2012.

Mr Ignacio Benlloch Fernández-Cuesta and Mr Ramón Carballás Varela, duly authorised for these presents, for and on behalf of BANCO COOPERATIVO ESPAÑOL, S.A., Lead Manager of the Bond issue by RURAL CÉDULA I FONDO DE TITULIZACIÓN DE ACTIVOS, take responsibility for the contents of this Securities Note (including the Building Block).

Mr Ignacio Benlloch Fernández-Cuesta is acting as attorney-in-fact for the Lead Manager BANCO COOPERATIVO using the powers conferred on him before Madrid Notary Public Mr José María de Prada Guaita on March 25, 1997, his document number 642.

Mr Ramón Carballás Varela is acting as attorney-in-fact for the Lead Manager BANCO COOPERATIVO using the powers conferred on him before Madrid Notary Public Mr José María de Prada Guaita on May 3, 2001, his document number 1031.

1.2 Declaration by those responsible for the Securities Note.

Mr Mario Masiá Vicente declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Securities Note (including the Building Block) is, to the best of his knowledge, in accordance with the facts and contains no omission likely to affect its contents.

Mr Ignacio Benlloch Fernández-Cuesta and Mr Ramón Carballás Varela declare that, having taken all reasonable care to ensure that such is the case, the information contained in this Securities Note (including the Building Block) is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its contents.

2 RISK FACTORS

The Bond issue shall be fully subscribed for by the Subscriber. On the Closing Date, the Subscriber shall sell the Bond issue to the Issuing Institutions. The Bond issue is made in order for the Issuing Institutions to have liquid assets available which may be used as security for Eurosystem transactions or be subsequently sold in the market, and, consequently, the terms of the Bond issue are not an estimate of the prices at which those instruments could be sold in the secondary market or of the Eurosystem's valuations in due course for the purpose of using them as security instruments in its lending transactions to the banking system.

The other risk factors linked to the securities are described in paragraph 2 of the preceding Risk Factors section of this Prospectus.

The risk factors linked to the assets backing the Bond issue are described in paragraph 3 of the preceding Risk Factors section of this Prospectus.

3 KEY INFORMATION

3.1 Interest of natural and legal persons involved in the offer.

The identity of the legal persons involved in the offer and direct or indirect shareholdings or controlling interest or connection between them are detailed in section 5.2 of the Registration Document. Their interest as persons involved in the offer of the Bond issue are as follows:

a) EUROPEA DE TITULIZACIÓN is the Fund Management Company.

b) BANCO COOPERATIVO and EUROPEA DE TITULIZACIÓN have structured the financial terms of the Fund and the Bond issue.

c) CAJA RURAL DE GRANADA and CAJA RURAL DE NAVARRA are the Issuing Institutions of the Mortgage Covered Bonds pooled in the Fund and shall be the Fund's counterparties in the Liquidity Loan and Financial Intermediation Agreements.

d) BANCO COOPERATIVO is involved as Lead Manager, Transferor and Subscriber of the Bonds.

e) BANCO COOPERATIVO is involved as Bond Paying Agent and shall be the Fund's counterparty in the Guaranteed Interest Rate Account (Treasury Account) and Mortgage Covered Bond Custody Agreements.

f) GARRIGUES, as independent adviser, has provided legal advice for establishing the Fund and the Bond issue and has been involved in reviewing this Prospectus and in reviewing the transaction and financial service agreements referred to herein and the Deed of Constitution.

g) Moody's is the Rating Agency that has rated the Bonds.

BANCO COOPERATIVO has a 0.7965% interest in the share capital of EUROPEA DE TITULIZACIÓN.

CAJA RURAL DE GRANADA and CAJA RURAL DE NAVARRA have a joint 16.793% interest in the share capital of BANCO COOPERATIVO.

The Management Company is not aware of the existence of any other significant link or economic interest between the aforesaid institutions involved in the Bond issue, other than what is strictly professional derived from their involvement as detailed in this section and in section 5.2 of the Registration Document.

4 INFORMATION CONCERNING THE SECURITIES TO BE OFFERED AND ADMITTED TO TRADING.

4.1 Total amount of the securities and subscription.

4.1.1 Total amount of the securities.

The total face value amount of the issue of Asset-Backed Bonds is EUR one billion (1,000,000,000.00) consisting of twenty thousand (20,000) Bonds having a unit face value of EUR fifty thousand (50,000), and denominated in Euros.

4.1.2 Bond issue price.

The Bonds are issued at 100 percent of their face value. The issue price of each Bond shall be EUR fifty thousand (50,000.00) per Bond, clear of taxes and subscription costs for the subscriber through the Fund.

The expenses and taxes inherent in the issue of the Bonds shall be borne by the Fund.

4.1.3 Subscription for the Bond issue.

The Bond issue shall be fully subscribed for exclusively by BANCO COOPERATIVO (the "**Subscriber**") under the Management and Subscription Agreement to be entered into by the Management Company for and on behalf of the Fund.

BANCO COOPERATIVO shall be involved as Lead Manager in the Bond issue and shall receive a fee for leading the Bond issue of 0.005% of the total face amount of the Bond issue, to be paid by the Fund on the Closing Date.

BANCO COOPERATIVO shall receive no fee whatsoever for subscribing for the Bonds.

4.2 Description of the type and class of the securities.

The Bonds legally qualify as marketable fixed-income securities with an explicit yield and are subject to the system prescribed in the Securities Market Act and implementing regulations.

4.3 Legislation under which the securities have been created.

The establishment of the Fund and the Bond issue are subject to Spanish Law and in particular are carried out in accordance with the legal system provided for by (i) Royal Decree 926/1998 and implementing regulations, (ii) Act 19/1992, failing a provision in Royal Decree 926/1998 and to the extent applicable, (iii) Additional Provision five of Act 3/1994, (iv) the Securities Market Act and applicable implementing regulations, (v) Act 2/1981, (vi) Royal Decree 716/2009, (vii) Regulation 809/2004, (viii) Royal Decree 1310/2005, and (ix) all other legal and statutory provisions in force and applicable from time to time.

The Deed of Constitution, the Bond issue and the agreements to be entered into by the Management Company for and on behalf of the Fund shall be subject to Spanish Law and shall be governed by and construed in accordance with Spanish laws.

4.4 Indication as to whether the securities are in registered or bearer form and whether the securities are in certificated or book-entry form.

The Bonds issued by the Fund will be exclusively represented by means of book entries, and will become such Bonds when entered at Iberclear, the institution in charge of the accounting record, in accordance with article 11 of Royal Decree 116/1992. In this connection, and for the record, the Deed of Constitution shall have the effects prescribed by article 6 of the Securities Market Act.

Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores S.A.U. ("**Iberclear**"), with place of business at Plaza de la Lealtad no. 1, Madrid, shall be the institution designated in the Deed of Constitution to account for the Bonds in order for the Bonds to be cleared and settled in accordance with the operating rules regarding securities admitted to trading on AIAF and represented by means of book entries, established now or henceforth by Iberclear or AIAF.

Bondholders shall be identified as such when entered in the accounting record kept by the members of Iberclear.

4.5 Currency of the issue.

The Bonds shall be denominated in Euros.

4.6 Ranking of the securities.

The Bonds issued by the Fund are all in the same series. There is no subordination whatsoever between them.

4.6.1 **Simple reference to the order number of Bond interest payment in the Fund priority of payments.**

Payment of interest accrued by the Bonds is third (3rd) in the application of Available Funds in the Priority of Payments established in section 3.4.6.2.1.2 of the Building Block.

4.6.2 **Simple reference to the order number of Bond principal repayment in the Fund priority of payments.**

Bond principal repayment is sixth (6th) in the application of Available Funds in the Priority of Payments established in section 3.4.6.2.1.2 of the Building Block.

4.7 Description of the rights attached to the securities.

The economic and financial rights for Bondholders associated with acquiring and holding the Bonds shall be as derived from the terms as to interest rate, yields and redemption terms on which they are to be issued and given in sections 4.8 and 4.9 of this Securities Note. In accordance with the laws in force for the time being, the Bonds subject of this Securities Note shall vest the investor acquiring the same in no present and/or future political rights in and to the Fund.

Bondholders and all other creditors of the Fund shall have no recourse whatsoever against Issuing Institutions who may have defaulted on their payment obligations or against the Transferor. Any such rights shall lie with the Management Company, representing the Fund.

Bondholders and all other creditors of the Fund shall have no recourse whatsoever against the Fund or against the Management Company in the event of non-payment of amounts due by the Fund resulting from the existence of payment default or in the event of early redemption of the Mortgage Covered Bonds, breach by the Issuing Institutions of their obligations as such or as counterparty to the transactions entered into for and on behalf of the Fund, or shortfall of the financial hedging transactions for servicing the Bonds .

Bondholders and all other creditors of the Fund shall have no recourse against the Management Company other than as derived from a breach of its duties or inobservance of the provisions of this Prospectus and the Deed of Constitution. Those actions shall be resolved in the relevant ordinary declaratory proceedings depending on the amount claimed.

All matters, disagreements, actions and claims deriving from the Management Company's establishing the Fund, managing and being the authorised representative of the Fund and the Bond issue by the same shall be heard and ruled upon by the competent Spanish Courts and Tribunals in the city of Madrid.

4.8 Nominal interest rate and provisions relating to interest payable.

4.8.1 Bond nominal interest rate.

The Bonds shall, from the Closing Date until they mature fully, accrue a fixed yearly nominal interest of 4.00% (the "**Nominal Interest Rate**").

Withholdings, interim payments, duties and taxes established or to be established in the future on Bond principal, interest or returns shall be borne exclusively by Bondholders, and their amount, if any, shall be deducted by the Management Company, for and on behalf of the Fund, or through the Paying Agent, as provided by law.

4.8.1.1 **Interest accrual.**

For interest accrual purposes, the duration of the Bonds shall be divided into successive interest accrual periods (the "**Interest Accrual Periods**") comprising the exact number of days elapsed from March 13 in each year (inclusive) and March 13 in the following year (exclusive), other than upon the occurrence of any Early Redemption event of the Bonds, as described in section 4.9.2.2 below. Exceptionally,

i. the duration of the first Interest Accrual Period shall be equivalent to the exact number of days elapsed between the Closing Date, March 13, 2012, inclusive, and March 13, 2013, exclusive, and

ii. the duration of the last Interest Accrual Period shall be equivalent to the exact number of days elapsed between March 13, 2017, inclusive, and the liquidation date, exclusive.

The Nominal Interest Rate shall accrue on the exact number of days in each Interest Accrual Period for which it was determined, calculated based upon a 365- or a 366-day year, as the case may be.

4.8.1.2 **Formula for calculating interest.**

Interest settlement for the Bonds, payable on each Payment Date or on the liquidation date for each Interest Accrual Period, shall be calculated in accordance with the following formula:

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

Where:

I = Interest payable on a given Payment Date.

P = Outstanding Principal Balance at the start of the Interest Accrual Period.

R = Nominal Interest Rate expressed as a yearly percentage.

d = Exact number of days in each Interest Accrual Period.

D = Number of days per year (365 or 366).

4.8.2 Dates, place, institutions and procedure for paying interest.

Bond interest shall be paid yearly until the Calendar Maturity Date, inclusive, by Interest Accrual Periods in arrears on March 13 in each year, or the following Business Day if any of those is not a Business Day (each of those dates, a "**Payment Date**").

If, by the Calendar Maturity Date, either Mortgage Covered Bond should be overdue or defaulted on, and notwithstanding the provisions in that regard in this Prospectus, the Priority of Payments provided for in section 3.4.6.2 of the Building Block shall be applied on any and all dates on which the Fund receives any amounts due on the defaulted Mortgage Covered Bonds.

In the event of Early Redemption of the Bonds, interest accrued on the days elapsed between the last preceding March 13, inclusive, and the Early Redemption Date of the Bonds, exclusive, and on the redeemed principal, shall be paid on the Early Redemption Date of the Bonds or, as the case may be, on the following Business Day.

The first interest Payment Date for the Bonds shall be March 13, 2013, and interest will accrue at the applicable Nominal Interest Rate between the Closing Date, March 13, 2012, inclusive, and March 13, 2013, exclusive.

In this Bond issue, business days ("**Business Days**") shall be deemed to be all days other than a:

- public holiday in the city of Madrid, or
- non-business day in the TARGET 2 calendar (or future replacement calendar).

Both interest resulting for Bondholders and the amount, if any, of interest accrued and not paid, shall be notified to Bondholders as described in section 4.1.1.a) of the Building Block, at least one (1) calendar day in advance of each Payment Date.

Interest accrued on the Bonds shall be paid provided that the Fund has sufficient liquidity to do so on each Payment Date or on the Liquidation date in the Priority of Payments.

In the event that on a Payment Date the Fund should be unable to make full or partial payment of interest accrued on the Bonds, in the Priority of Payments, unpaid amounts shall be accumulated on the following Payment Date to Bond interest, if any, payable on that same Payment Date, and will be paid in the Priority of Payments and applied by order of maturity if it should be impossible once again not to pay the same fully due to a shortfall of Available Funds.

Overdue interest amounts shall not earn additional or late-payment interest and shall not be accumulated to the Outstanding Principal Balance of the Bonds.

The Fund, through its Management Company, may not defer Bond interest payment beyond March 13, 2019, the Final Maturity Date, or the following Business Day if that is not a Business Day.

The Bond issue shall be serviced through the Paying Agent, to which end the Management Company shall, for and on behalf of the Fund, enter into a Paying Agent Agreement with BANCO COOPERATIVO, as established in section 5.2.1 of this Securities Note.

4.9 Maturity date and redemption of the securities.

4.9.1 **Bond redemption price.**

The redemption price of the Bonds shall be EUR fifty thousand (50,000) per Bond, equivalent to 100 percent of their face value, payable as established in section 4.9.2 below.

Each and every one of the Bonds shall be redeemed in an equal amount by reducing the face amount of each Bond.

4.9.2 **Characteristics specific to the redemption of the Bonds.**

4.9.2.1 **Ordinary redemption of the Bonds.**

The Bonds shall be redeemed by means of a single payment on March 13, 2017, the Calendar Maturity Date or the following Business Day if that is not a Business Day, although the Management Company may, for and on behalf of the Fund, and as provided for in 4.9.2.2 below, proceed to Early Redemption of the Bonds before the Calendar Maturity Date.

In any event, Bond redemption shall occur before the Final Maturity Date.

4.9.2.2 **Early Redemption of the Bonds.**

Notwithstanding the provisions of 4.9.2.1 above, the Management Company shall proceed to partial or total early redemption of the Bonds ("**Early Redemption of the Bonds**") in the following events:

4.9.2.2.1 **Mandatory Early Redemption of the Bonds.**

The Bonds shall be redeemed early (the "**Mandatory Early Redemption of the Bonds**") (i) fully, upon Liquidation of the Fund before the Calendar Maturity Date, in the events provided for in section 4.4.3.1 of the Registration Document, and (ii) partially or fully, upon Early Redemption of the Mortgage Covered Bonds assigned to the Fund as follows:

1. Upon Early Redemption of the Mortgage Covered Bonds being declared following ordinary interest payment default as established in section 2.2.13.2.2 a) of the Building Block, in which case the Management Company shall, on the Fund's behalf, bring such legal actions as may be appropriate to claim from the Issuing Institution whose Mortgage Covered Bond shall have been defaulted.

2. Because the Mortgage Covered Bonds cannot be replaced as established in section 2.2.13.2.2 b) of the Building Block.

3. Upon statutory early redemption of the Mortgage Covered Bonds as established in section 2.2.13.2.2 c) of the Building Block.

4. Upon a change of tax laws, provided that such change creates taxes, rates or withholdings with respect to Mortgage Covered Bond interest payments assigned to the Fund affecting the Fund's financial balance.

In the event of Mandatory Early Redemption of the Bonds, as provided for in paragraphs 1, 2 and 3 above, the Bonds shall be redeemed by reducing their face value pro rata at an aggregate amount equal to the face value of the redeemed Mortgage Covered Bond, in the Priority of Payments set out in section 3.4.6.2 of the Building Block in relation to such payment and all other items. In the event provided for in 4 above, the Bonds shall be redeemed in full.

Additionally, in the event of Mandatory Early Redemption of the Bonds as provided for in paragraph 1 above, to the extent that recovery of amounts due by the Issuing Institution of the affected Mortgage Covered Bond could occur on later dates and for different sums, the aforesaid procedure for Early Redemption of the Bonds shall be repeated in respect of successive amounts received by the Fund until the aggregate amount of the pro rata reduction of the face value of the Bonds is equal to the face value of the Mortgage Covered Bond in respect of which Early Redemption is declared.

The CNMV, IBERCLEAR, the Rating Agency and Bondholders shall be given notice of Mandatory Early Redemption of the Bonds before being carried out by the Management Company, as established in section 4.1.2 of the aforementioned Building Block, specifying the procedure to be used.

4.9.2.2.2 **Voluntary Early Redemption of the Bonds.**

The Management Company shall proceed to voluntary early redemption of the Bonds ("**Voluntary Early Redemption of the Bonds**") in the relevant amount in the event that either Issuing Institution should decide to proceed to Voluntary Early Redemption of the Mortgage Covered Bond issued thereby, as established in section 2.2.13.2.4 of the Building Block. To do so, the Issuing Institution proceeding to such Voluntary Early Redemption of the Mortgage Covered Bonds shall be the holder of Bonds in an amount at least equivalent to the face amount of the Mortgage Covered Bond to be redeemed.

In that case, subject to express acceptance by the Management Company and all Bondholders (who shall first notify the former in writing), the Management Company shall apply the amount received to reducing the number of Bonds in the issue, paying to the Issuing Institution redeeming its Mortgage Covered Bond early and who is a Bondholder an Outstanding Principal Balance of Bonds equivalent to the Mortgage Covered Bond amount redeemed early by the Issuing Institution.

The CNMV, IBERCLEAR, the Rating Agency and Bondholders shall be given notice of Voluntary Early Redemption of the Bonds before being carried out by the Management Company, as established in section 4.1.2 of the aforementioned Building Block, specifying the procedure to be used.

4.9.3 **Outstanding Principal Balance of the Bonds.**

The outstanding principal balance (the "**Outstanding Principal Balance**") of the Bonds shall be the sum of the principal pending repayment (outstanding balance) at a date of all the Bonds.

4.10 Indication of yield.

The following hypothetical values have been assumed to calculate the amounts tabled in this section:

Mortgage Covered Bonds:

- Face amount assigned to the Fund: EUR 1,000,000,000.00.
- Assignment price to the Fund: 99.950% (100% discounting an amount of 0.050% as the Fund's initial expenses).

- Interest rate: 4.009%.
- Maturity date: March 13, 2017.
- There is no Mortgage Covered Bond payment default.
- There is no early redemption.

Bonds:

- Issue amount: EUR 1,000,000,000.00.
- Issue price: 100%
- Interest rate: 4.00%.
- There is no Early Redemption of the Bonds.

	Bonds
Average life (years)	5
IRR	3.998%
Duration (years)	4.45
Final maturity	13.03.2017
(in years)	5

4.11 Representation of security holders.

No syndicate of Bondholders will be set up for the securities included in this Bond issue.

On the terms provided for in article 12.1 of Royal Decree 926/1998, it is the Management Company's duty, as the manager of third-party portfolios, to represent and enforce the interests of the holders of the Bonds issued by the Fund and of all its other ordinary creditors. Consequently, the Management Company shall make its actions conditional on their protection and observe the provisions established for that purpose from time to time.

4.12 Resolutions, authorisations and approvals for issuing the securities.

a) Corporate resolutions.

Resolution to set up the Fund and issue the Bonds:

The Executive Committee of the Board of Directors of EUROPEA DE TITULIZACIÓN resolved, in a resolution dated February 8, 2012, that:

i) RURAL CÉDULA I FONDO DE TITULIZACIÓN DE ACTIVOS be set up in accordance with the legal system for which provision is made in Royal Decree 926/1998, Act 19/1992, failing a provision in Royal Decree 926/1998 and to the extent applicable, and all other legal and statutory provisions in force and applicable from time to time.

ii) Mortgage covered bonds issued by CAJA RURAL DE NAVARRA and CAJA RURAL DE GRANADA and transferred to the Fund by BANCO COOPERATIVO be pooled in the Fund.

iii) The Bonds be issued by the Fund.

Resolution to issue the Mortgage Covered Bonds:

The Management Boards of CAJA RURAL DE GRANADA, at a meeting held on December 28, 2011, and CAJA RURAL DE NAVARRA, at a meeting held on December 23, 2011, resolved that the issue of the singular Mortgage Covered Bonds represented by a single certificate and respectively amounting to not more than MEUR 500 and 750, be authorised.

Resolution to assign the Mortgage Covered Bonds:

The Board of Directors of BANCO COOPERATIVO resolved, at a meeting held on January 25, 2012, that the Mortgage Covered Bonds issued by CAJA RURAL DE GRANADA and CAJA RURAL DE NAVARRA having a joint face value of not more than one billion Euros, be subscribed for and be simultaneously assigned to the Fund.

b) Registration by the CNMV.

There is a condition precedent for the Fund to be established and the Bonds to be issued that this Prospectus and all other supporting documents be entered in the Official Registers of the CNMV, in accordance with the provisions of article 5.1.e) of Royal Decree 926/1998.

This Prospectus regarding the establishment of the Fund and issue of the Bonds has been entered in the CNMV's Official Registers.

c) Execution of the Fund public deed of constitution.

Upon the CNMV registering this Prospectus, the Management Company shall, in the presence of the Transferor and the Issuing Institutions, proceed to execute on March 9, 2012 a public deed whereby RURAL CÉDULA I FONDO DE TITULIZACIÓN DE ACTIVOS will be established, BANCO COOPERATIVO will assign Mortgage Covered Bonds to the Fund and the Fund will issue the Asset-Backed Bonds, on the terms provided in article 6 of Royal Decree 926/1998.

The Management Company represents that the contents of the Deed of Constitution shall match the draft Deed of Constitution it has submitted to the CNMV and the terms of the Deed of Constitution shall at no event contradict, change, alter or invalidate the contents of this Prospectus.

The Management Company shall submit a copy of the Deed of Constitution to the CNMV to be entered in the Official Registers by March 13, 2012.

4.13 Issue date of the securities.

The Bond issue date shall be March 9, 2012.

4.13.1 Bond subscription.

The Bond issue shall be fully subscribed for by BANCO COOPERATIVO.

4.13.2 Bond issue subscription payment method and dates.

The Subscriber shall subscribe for the entire Bond issue on March 12, 2012 and pay to the Fund by 2pm (CET) on March 13, 2012 (the "**Closing Date**"), for same day value, the issue price at the face value of all the Bonds subscribed for.

4.14 Restrictions on the free transferability of the securities.

There are no restrictions on the free transferability of the Bonds. They may be freely transferred by any means admissible at Law and in accordance with the rules of the AIAF market where they will be admitted to trading. A transfer in the accounts (book entry) will convey the ownership of each Bond. The effects of entering conveyance to the transferee in the accounting record shall be the same as handing over the certificates and the transfer shall thereupon be enforceable on third parties.

5 ADMISSION TO TRADING AND DEALING ARRANGEMENTS.

5.1 Market where the securities will be traded.

In fulfilment of the provisions of article 2.3 of Royal Decree 926/1998, the Management Company shall, upon the Bonds having been paid up, apply for this Bond issue to be listed on AIAF Mercado de Renta Fija S.A. ("**AIAF**"), which is a qualified official secondary securities market pursuant to transitional provision six of Act 37/1998, November 16, amending the Securities Market Act, and a regulated market, as contained in the annotated presentation of regulated markets and additional provisions as required by Investment Services Directive 93/22 published in the Official Journal of the European Union on July 11, 2009. The Management Company undertakes to do all such things as may be necessary in order that definitive admission to trading is achieved not later than one month after the Closing Date.

The Management Company expressly represents that it is aware of the requirements and terms that must be observed for the securities to be eligible to be listed, remain listed and be excluded from listing on AIAF, in accordance with the laws in force and the requirements of its governing bodies, and the Fund agrees through its Management Company to observe the same.

In the event that, by the end of the one-month period referred to in the first paragraph of this section, the Bonds should not be admitted to trading on AIAF, the Management Company shall forthwith proceed to notify Bondholders thereof, moreover advising of the reasons resulting in such breach, using the extraordinary notice procedure provided for in section 4.1.2 of the Building Block. This shall be without prejudice to the Management Company being held to be contractually liable, as the case may be, if it is at fault for the delay.

5.2 Paying agent and depository agents.

5.2.1 Bond issue Paying Agent.

The Bond issue will be serviced through BANCO COOPERATIVO as Paying Agent. Interest and redemption payments shall be notified to Bondholders in the events and on such days as may be provided for each case in section 4.1.1 of the Building Block. Interest and redemption payments shall be made to Bondholders by the relevant members and to the latter in turn by Iberclear, the institution responsible for the accounting record.

The Management Company shall, for and on behalf of the Fund, enter with BANCO COOPERATIVO into a paying agent agreement to service the Bond issue, the most significant terms of which are given in section 3.4.7.1 of the Building Block.

6 EXPENSE OF THE OFFERING AND OF ADMISSION TO TRADING.

The expected initial expenses for setting up the Fund and issue and admission to trading of the Bond issue are EUR five hundred thousand (500,000.00). These expenses include, inter alia, the Lead Manager's fee, the initial Management Company fee, notary's fees, rating and legal advice fees, CNMV fees, AIAF and Iberclear fees and Prospectus translation expenses.

The initial expenses shall be funded on the Closing Date by the existing difference between the Bond issue price and the price of assigning the Mortgage Covered Bonds to the Fund.

7 ADDITIONAL INFORMATION.

7.1 Statement of the capacity in which the advisors connected with the issue mentioned in the Securities Note have acted.

GARRIGUES, as independent adviser, has provided legal advice for establishing the Fund and the Bond issue and has been involved in reviewing this Prospectus and in reviewing the transaction and financial service agreements referred to herein and the Deed of Constitution.

BANCO COOPERATIVO and EUROPEA DE TITULIZACIÓN have structured the financial terms of the Fund and of the Bond issue.

7.2 Other information in the Securities Note which has been audited or reviewed by auditors.

Not applicable.

7.3 Statement or report attributed to a person as an expert.

Not applicable.

7.4 Information sourced from a third party.

Within its duties to verify the information contained in this Prospectus, the Management Company has received confirmation from the Issuing Institutions and the Transferor of the Mortgage Covered Bonds as to the truthfulness of the characteristics of the Transferor and both Issuing Institutions and the Mortgage Covered Bonds given in section 2.2.8 of the Building Block, and of the remaining information on the Transferor, the Issuing Institutions and the Mortgage Covered Bonds given in this Prospectus.

In the Deed of Constitution of the Fund, the Transferor and the Issuing Institutions shall reaffirm to the Management Company the fulfilment of those characteristics on the date of establishment.

The Management Company confirms that the information from the Transferor and the Issuing Institutions as to the same and as to the Mortgage Covered Bonds has been accurately reproduced and, to the best of its knowledge and ability to determine based on that information provided by the same, no fact has been omitted which might result in the information reproduced being inaccurate or deceptive.

7.5 Credit ratings assigned to the securities by rating agencies.

Moody's has, on March 6, 2012, assigned a provisional Aa2 rating (on review for possible downgrade) to the Bonds, and expects to assign the same final rating on March 12, 2012.

Rating considerations.

The rating assigned to the Bonds by Moody's measures the expected loss before the Final Maturity Date. In Moody's opinion, the structure allows timely interest payment during the life of the transaction and principal payment on the final maturity date and, in any event, before the Final Maturity Date.

The Rating Agency was registered and authorised on October 31, 2011 as a rating agency in the European Union in accordance with Regulation (EC) no. 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies.

The rating assigned, and any revision or suspension of the rating:

(i) is assigned by the Rating Agency based on manifold information received with respect to which it can give no assurance, nor even as to their accuracy or wholeness, wherefore the Rating Agency may in no event be deemed to be responsible therefor; and

(ii) is not and cannot therefore be howsoever construed as an invitation, recommendation or encouragement for investors to proceed to carry out any transaction whatsoever on the Bonds and, in particular, acquire, keep, charge or sell those Bonds.

In carrying on the rating and monitoring process, the Rating Agency relies on the accuracy and wholeness of the information provided to it by the Issuing Institutions, the Transferor, the Management Company and GARRIGUES, as independent legal adviser.

The Rating Agency may revise, suspend or withdraw the final rating assigned to the Bonds at any time, based on any information that may come to its notice. Those events, which shall not constitute early liquidation events of the Fund on their own, shall be forthwith notified to both the CNMV and Bondholders, in accordance with the provisions of section 4.1 of the Building Block.

ASSET-BACKED SECURITIES NOTE BUILDING BLOCK

(Annex VIII to Commission Regulation (EC) No. 809/2004 of April 29, 2004)

1. SECURITIES

1.1 Minimum denomination of the issue.

The Fund shall be set up with two (2) Mortgage Covered Bonds issued by CAJA RURAL DE GRANADA and CAJA RURAL DE NAVARRA, acquired and assigned to the Fund upon being established by BANCO COOPERATIVO, the aggregate face value of which shall be equal to EUR one billion (1,000,000,000.00), the face value amount of the Bond issue.

1.2 Confirmation that the information relating to an undertaking or obligor not involved in the issue has been reproduced.

Not applicable.

2. UNDERLYING ASSETS

2.1 Confirmation that the securitised assets have capacity to produce funds to service any payments due and payable on the securities.

The Management Company confirms that, based on their contractual characteristics, the flows of principal, interest and any other amounts generated by the Mortgage Covered Bond receivables allow the payments due and payable on the Bonds issued to be satisfied.

The above is based on the Transferor's and the Issuing Institutions' representations to the Management Company set out in section 2.2.8 of the Building Block in relation to the Mortgage Covered Bonds and to the Transferor and the Issuing Institutions proper, on the information supplied by the Issuing Institutions and on the valuation resulting from the provisional rating accorded to the Bonds by the Rating Agency.

Nevertheless, in order to cover for potential payment defaults by the Issuing Institutions of the securitised Covered Mortgage Bonds, a credit enhancement transaction has been arranged allowing Bond interest amounts to be covered to a different extent. In exceptional circumstances, the enhancement transaction could actually fall short for meeting Bonds interest payments. The credit enhancement transaction is described in section 3.4.2 of this Building Block.

2.2 Assets backing the issue.

The Fund's assets shall essentially comprise the Mortgage Covered Bonds singularly issued by institutions legally authorised to issue the same, in accordance with Act 2/1981 and Royal Decree 716/2009, which are represented by means of single, registered physical certificates, previously subscribed for by the Transferor and subsequently assigned to the Fund under the Deed of Constitution of the Fund, subject to the terms and conditions herein laid down.

The Issuing Institutions shall singularly issue the Mortgage Covered Bonds on the date of establishment of the Fund in the following amounts and number:

Issuing Institution	No. of singular Mortgage Covered Bonds	Amount of Mortgage Covered Bonds (EUR)
CAJA RURAL DE GRANADA	1	500,000,000.00
CAJA RURAL DE NAVARRA	1	500,000,000.00
TOTAL	**2**	**1,000,000,000.00**

The Mortgage Covered Bonds shall be documented by means of registered physical certificates singularly issued pursuant to Act 2/1981 and Royal Decree 716/2009.

2.2.1 Legal jurisdiction by which the pool of assets is governed.

The securitised assets are governed by Spanish Law.

2.2.2 Description of the general characteristics of the obligors and the economic environment, as well as global statistical data referred to the securitised assets.

The following is selected individual financial information on each Issuing Institution at December 31, 2011 and December 31, 2010, and how those dates compare. Only the financial information as at December 31, 2010 has been audited. The information has been prepared in accordance with Bank of Spain Circular 4/2004 amended by Circular 6/2008.

CAJA RURAL DE GRANADA	31/12/2011 (A)	31/12/2010 (B)	(A) - (B) (B)
BALANCE SHEET (KEUR)			
Total assets	5,089,845	4,700,850	8.27%
Customer credit (gross)	3,406,703	3,507,196	-2.87%
Balance-sheet customer resources	3,465,615	3,580,077	-3.20%
Other customer resources managed	277,247	238,788	16.11%
Total customer resources managed	3,742,862	3,818,865	-1.99%
Net assets	429,363	397,263	8.08%
Equity (including retained earnings)	432,969	407,347	6.29%
PROFIT & LOSS ACCOUNT (KEUR)			
Interest margin	70,821	68,331	3.64%
Basic margin	93,811	88,313	6.23%
Gross margin	104,121	106,602	-2.33%
Operating margin	20,726	37,407	-44.59%
Pre-tax profit	482	18,088	-97.34%
Profit attributed to the Group	5,027	15,172	-66.87%
RELEVANT RATIOS (%)			
Operating margin/ATM	0.43%	2.26%	
ROE	1.22%	3.72%	
ROA	0.10%	0.38%	
RORWA	0.16%	0.55%	
Efficiency ratio	57.7%	58.7%	
Efficiency ratio with depreciation	63.9%	64.9%	
Delinquency rate	6.07%	5.03%	
Mortgage delinquency rate	5.30%	4.24%	
Coverage rate	43.77%	48.50%	
CAPITAL RATIOS (BIS REGULATIONS)) (%)			
TIER I	13.07%	11.92%	
TIER II	0.90%	1.60%	
TOTAL	13.97%	13.52%	
ADDITIONAL INFORMATION			
Number of shares			
Number of members	99,296	97,559	
Number of employees	816	823	
Number of branches	197	197	

CAJA RURAL DE NAVARRA	31.12.2011 (A)	31.12.2010 (B)	(A) - (B) (B)
BALANCE SHEET (KEUR)			
Total assets	7,895,263	7,280,981	8.44%
Customer credit (gross)	6,459,278	6,251,221	3.33%
Balance-sheet customer resources	5,294,074	5,183,768	2.13%
Other customer resources managed	959,387	862,859	11.19%
Total customer resources managed	6,253,461	6,046,627	3.42%
Net assets	741,298	694,662	6.71%
Equity (including retained earnings)	740,028	697,129	6.15%
PROFIT & LOSS ACCOUNT (KEUR)			
Intermediation margin	92,559	92,692	-0.14%
Basic margin	138,342	133,697	3.47%
Ordinary margin	149,493	140,589	6.33%
Operating margin	76,344	69,754	9.45%
Pre-tax profit	25,767	35,174	-26.74%
Profit attributed to the Group	31,704	32,068	-1.14%
ATM	7,520,693	7,050,655	
MEAN PROV. PROFIT/LOSS (CAPITAL + RESERVES)	701,588	654,113	
RISK-WEIGHTED MEAN ASSETS	5,539,625	5,486,156	
RELEVANT RATIOS (%)			
Operating margin/ATM	1.02%	0.99%	
ROE	4.52%	4.90%	
ROA	0.42%	0.45%	
RORWA	0.57%	0.58%	
Efficiency ratio	44.60%	47.59%	
Efficiency ratio with depreciation	50.39%	54.32%	
Delinquency rate	3.92%	3.54%	
Mortgage delinquency rate	0.68%	0.77%	
Coverage rate	72.44%	69.37%	
CAPITAL RATIOS (BIS REGULATIONS)) (%)			
TIER I	12.59%	12.00%	
TIER II	1.24%	1.15%	
TOTAL (BIS RATIO)	13.83%	13.15%	
ADDITIONAL INFORMATION			
Number of shares	2,077,079	1,857,207	
Number of members	133,035	127,065	
Number of employees	906	924	
Number of branches	243	243	

2.2.3 Legal nature of the pool of assets.

The Mortgage Covered Bonds making up the Fund's assets are documented by means of registered physical certificates singularly issued pursuant to Act 2/1981 and Royal Decree 716/2009, initially subscribed for by the Transferor and which shall be transferred to the Fund. Those certificates shall be deposited with the Custodian, as provided for in section 3.7.2.2 of the Building Block.

Collection of both principal and interest on the Mortgage Covered Bonds is especially guaranteed, in accordance with article 12 of Act 2/1981, without any registration entry being required, by mortgage on all the mortgages that may be registered to the Issuing Institutions from time to time and are not earmarked for an issue of mortgage bonds or have been participated through a mortgage participation certificate or a mortgage pass-through certificate, notwithstanding their universal general liability. The Issuing Institutions have not locked up any replacement assets or linked any derivative financial instrument arising from the issue of the Mortgage Covered Bonds. Similarly, the mortgage loans to the extent participated through mortgage participation certificates or pass-through certificates shall not stand as security for the Mortgage Covered Bonds. The holders of each Issuing Institution's mortgage covered bonds, regardless of their issue date, shall all rank equally with respect to their cover loans and credit facilities.

The Fund's receivables as holder of the Mortgage Covered Bonds from the Issuing Institutions are not only secured as described in the preceding paragraphs, but shall entail a right of enforcement in claiming payment from the Issuing Institutions, and the Fund, as holder of the Mortgage Covered Bonds, shall be a singularly privileged creditor, with the seniority laid down in article 1923.3 of the Civil Code, with respect to any other creditors in relation to all mortgage loans and credit facilities registered to the Issuing Institutions, other than those covering mortgage bonds and those participated through mortgage participation certificates or pass-through certificates. The holders of mortgage bonds shall have priority over the holders of the Mortgage Covered Bonds where they converge on a loan or credit facility earmarked for that issue of mortgage bonds. Similarly, mortgage loans shall not, to the extent participated through mortgage participation certificates or pass-through certificates, stand as security for the Mortgage Covered Bonds.

Under the Bankruptcy Act, in the event of insolvency of either Issuing Institution, the Fund, as holder of the Mortgage Covered Bonds, will avail of a special privilege as established in article 90.1.1.

Notwithstanding the foregoing, Mortgage Covered Bond principal repayments and interest payments outstanding as of the date of filing for the Issuing Institution to be decreed insolvent will, pursuant to article 84.2.7 of the Bankruptcy Act, be settled during the insolvency of the Issuing Institution as claims against the estate, up to the amount of the relevant Issuing Institution's income on the mortgage loans and credit facilities from mortgage loans and credit facilities not earmarked for an issue of mortgage bonds or participated through a mortgage participation certificate or a pass-through certificate.

If the procedures of article 155.3 of the Bankruptcy Act should have to be observed, payment to all holders of covered bonds issued by the insolvent Issuing Institution shall be prorated, regardless of the dates of issue of their securities. If a same credit facility should be earmarked for payment of covered bonds and an issue of mortgage bonds, then holders of the latter bonds would be paid in the first place.

2.2.4 Expiry or maturity date(s) of the assets.

Each Mortgage Covered Bond issued by the Issuing Institutions shall have a maturity date which shall be March 13, 2017.

2.2.5 Amount of the assets.

The Fund shall be set up upon the acquisition of the Mortgage Covered Bonds and their face amount shall be equal to EUR one billion (1,000,000,000.00), the face value amount of the Bond issue.

2.2.6 Loan to value ratio or level of collateralisation.

Mortgage Covered Bond principal and interest shall be specifically secured by a mortgage on all the mortgages that may be registered to each Issuing Institution from time to time and are not earmarked for an issue of mortgage bonds or have been participated through a mortgage participation certificate or a mortgage pass-through certificate, notwithstanding the Issuing Institutions' universal general liability. However, out of each Issuing Institution's total portfolio of mortgage loans and credit facilities (Total Mortgage Portfolio), only mortgage loans and credit facilities meeting the requirements laid down in that connection by Act 2/1981 are eligible for defining the limit of the issue of the mortgage covered bonds (Eligible Mortgage Portfolio). Loans and credit facilities eligible for calculating the maximum issue amounts of the mortgage covered bonds are only part of each Issuing Institution's total mortgage loan portfolios.

The Issuing Institutions cannot have issued outstanding mortgage covered bonds amounting to more than 80% of the portfolio eligible for covering their issue, deducting the amount of those earmarked for mortgage bonds.

Additionally, the Issuing Institutions shall provide the Fund with an overcollateralisation commitment in the Deed of Constitution on the following terms:

In regard to this commitment, "**Overcollateralisation Ratio**" shall mean the ratio of **(A)** (i) the outstanding balance of all the Issuing Institution's mortgage loans and credit facilities not earmarked for the issue of mortgage bonds or mortgage participation certificates or pass-through certificates (the "**Total Mortgage Portfolio**") and (ii) the replacement assets, if any, earmarked for the issue of mortgage covered bonds, entered in the respective Issuing Institution's accounting record referred to in Annex III to Royal Decree 716/2009, to **(B)** the outstanding balance of all mortgage covered bonds issued by the Issuing Institution.

Based on those commitments, the relevant Issuing Institution agrees not to issue mortgage covered bonds if, following that issue, the Overcollateralisation Ratio falls below the "**Minimum Overcollateralisation Ratio**" determined for that Issuing Institution. In the event of a breach of that commitment, the relevant Issuing Institution irrevocably agrees to remedy that circumstance within not more than thirty (30) calendar days.

(i) CAJA RURAL DE GRANADA shall agree with the Management Company to maintain a Minimum Overcollateralisation Ratio of 165%.

(ii) CAJA RURAL DE NAVARRA shall agree with the Management Company to maintain a Minimum Overcollateralisation Ratio of 155%.

The information on the Total Mortgage Portfolio and Eligible Mortgage Portfolio of each Issuing Institution at December 31, 2011 is tabled below:

Issuing Institution	Total mortgage portfolio (TMP) * (1)	Eligible mortgage portfolio (EMP) * (2)	Outstanding mortgage covered bonds (OCB)* (3)	OCB / EMP (%) (4)	EMP / TMP (%) (5)	Overcollateralisation Ratio
CR de GRANADA	1,945	1,530	0	0.00%	78.66%	---
CR de NAVARRA	3,170	1,848	0	0.00%	58.30%	---

* Figures at 31.12.2011
Amounts in MEUR

The same information given above is tabled below, including the Mortgage Covered Bonds that will be issued and assigned to the Fund:

Issuing Institution	Total mortgage portfolio (TMP) * (1)	Eligible mortgage portfolio (EMP) * (2)	Outstanding mortgage covered bonds (OCB)* (3)	OCB / EMP (%) (4)	EMP / TMP (%) (5)	Overcollateralisation Ratio
CR de GRANADA	1,945	1,530	500	32.68%	78.66%	389.00%
CR de NAVARRA	3,170	1,848	500	27.06%	58.30%	634.00%

* Figures at 31.12.2011
Including this issue
Amounts in MEUR

2.2.7 Method of creation of the assets.

The issue of the Mortgage Covered Bonds is carried out by the Issuing Institutions in accordance with Spanish laws and in particular pursuant to Act 2/1981 and Royal Decree 716/2009.

2.2.8 Indication of representations and warranties given to the Issuer relating to the assets.

The Management Company reproduces below the representations and warranties given by the Transferor, and the Issuing Institutions with respect to themselves and the Mortgage Covered Bonds, and which they will also give in the Deed of Constitution.

1. Representations of the Transferor.

(1) That it is a credit institution duly incorporated in accordance with the laws in force for the time being and is entered in the Companies Register and the Bank of Spain's Register of Credit Institutions.

(2) That neither at the Date of Establishment of the Fund nor at any time since it was incorporated has it been decreed to be insolvent, bankrupt, in receivership or in administration.

(3) That its corporate bodies have validly adopted all the resolutions necessary for the Mortgage Covered Bonds to be subscribed for and immediately assigned to the Fund, in accordance with its articles of association and the laws in force on the subject, to give these representations and to validly execute the Deed of Constitution and take on all the obligations and commitments arising thereunder and under the remaining agreements relating to the establishment of, and assignment of the Mortgage Covered Bonds to, the Fund.

(4) That the Mortgage Covered Bonds exist and prior to their assignment to the Fund the Transferor has absolute title to the Mortgage Covered Bonds, which may be freely transferred in accordance with all the rules applicable thereto, and there is no obstacle whatsoever to their assignment to the Fund.

(5) That the Mortgage Covered Bonds have been duly issued by the Issuing Institutions and duly subscribed for by the Transferor.

(6) That it has audited annual accounts for the years ended on December 31, 2010, 2009 and 2008 which have been filed with the CNMV and the Companies Register. The audit report on the year 2010 annual accounts is unqualified.

(7) That the assignment of the Mortgage Covered Bonds to the Fund does not violate any laws in force for the time being and is made on normal terms.

(8) That, to the best of its knowledge, the Issuing Institutions of the Mortgage Covered Bonds are not insolvent.

(9) That it is acquainted with and accepts all the terms of the full contents of the Deed of Constitution of the Fund and this Prospectus and, in particular, irrevocably takes on all the obligations and commitments arising from the aforementioned documents.

2. Representations by each Issuing Institution.

(1) That it is a credit institution duly incorporated in accordance with the laws in force for the time being and is entered in the Companies Register and the Bank of Spain's Register of Credit Institutions, and is licensed to participate in the mortgage market.

(2) That neither at the issue date of the Mortgage Covered Bond nor at any time before the date on which it was incorporated has it been decreed to be insolvent, bankrupt, in receivership or in administration.

(3) That it satisfies the requirements laid down in the governing laws in relation to the equity of credit institutions.

(4) That its corporate bodies have validly adopted all resolutions necessary for the singular Mortgage Covered Bond to be issued, in accordance with its articles of association and the laws in force on

the subject, to give these representations and to validly take on all the obligations and commitments arising under the Deed of Constitution of the Fund and this Prospectus.

(5) That the mortgage loans and credit facilities covering the Mortgage Covered Bond meet the requirements and conditions laid down in Act 2/1981 and Royal Decree 716/2009 and other applicable laws, and no replacement assets have been locked up nor has any derivative financial instrument been linked to the issue of the Mortgage Covered Bonds.

(6) That the Mortgage Covered Bond has been validly issued in accordance with Act 2/1981 and Royal Decree 716/2009 and other applicable laws and meet all the requirements therein established.

(7) That the Mortgage Covered Bond is not subject to any lien or encumbrance whatsoever and is freely transferable in accordance with the applicable laws, and there is no obstacle whatsoever to its assignment to the Fund.

(8) That on the Date of execution of the Deed of Constitution of the Fund, Mortgage Covered Bond principal and interest payments due to the Fund are not subject to any withholding, interim payment or deduction whatsoever of a tax nature.

(9) That the details relating to the Mortgage Covered Bond included in the Deed of Constitution of the Fund and in the Prospectus are accurate and complete.

(10) That the Mortgage Covered Bond is represented by a single physical registered certificate.

(11) That nobody has a pre-emptive right to collect the Mortgage Covered Bond amounts due over the lawful holder of the receivables attached thereto.

(12) That the Mortgage Covered Bond is a valid payment obligation that is binding on the Issuing Institution, payable and enforceable on its own terms (other than to the extent that it may be affected by insolvency proceedings).

(13) That it is not aware of the existence of any lawsuits whatsoever or of any other circumstance in relation to the Mortgage Covered Bond that may be detrimental to its validity or enforceability nor, to the best of its knowledge and understanding, does any exception whatsoever exist that may be raised against payment of the Mortgage Covered Bond.

(14) That, to the best of its knowledge, no circumstance whatsoever exists which might prevent the Mortgage Covered Bond from being enforced in accordance with the laws for the time being in force.

(15) That it is acquainted with and accepts all the terms of the full contents of the Deed of Constitution of the Fund and this Prospectus and, in particular, irrevocably takes on all the obligations and commitments arising from the aforementioned documents, and confirms that it has been notified of the assignment to the Fund of the Mortgage Covered Bond it has issued.

(16) That it has audited annual accounts for the years ended on December 31, 2010, 2009 and 2008 which have been filed with the CNMV and the Companies Register. The audit report on the year 2010 annual accounts is unqualified.

2.2.9 Substitution of the securitised assets.

In the exceptional event that after the date on which they are assigned to the Fund and despite the representations given by the Issuing Institutions contained in 2.2.8 above either Mortgage Covered Bond should be found not to have conformed upon being assigned to the Fund to such representations or have hidden defects, the Management Company shall notify this to the relevant Issuing Institution and to the Transferor in order for such circumstance to be remedied, including by replacing the Mortgage Covered Bond, within seven (7) Business Days of such notice, with another similarly characterised Mortgage Covered Bond accepted by the Management Company, after speaking to the Rating Agency. In case of replacement, the Issuing Institution shall prove to the Management Company that the replacement Mortgage Covered Bond conforms to the representations given in section 2.2.8 of this Building Block, and shall provide such information as to the replacement Mortgage Covered Bond as shall be thought fit by the Management Company, which shall notify the CNMV and Bondholders of the replacement.

If the relevant circumstance cannot be remedied within the aforementioned time period or at all, the Issuing Institution shall redeem the affected Mortgage Covered Bond early, repaying its face value and the relevant accrued interest to the Fund.

As soon as the relevant amount has been paid into the Treasury Account, the Management Company shall, for and on behalf of the Fund, proceed to partially redeem the Bonds as provided for in section 4.9.2.2.1 of the Securities Note.

In any event, and subject to any other rights to receive damages which the Fund and the Transferor may avail of under the Deed of Constitution of the Fund and the Prospectus, each Issuing Institution agrees to indemnify the Fund and the Transferor with respect to any and all liabilities arising from the existence of latent defects in the Mortgage Covered Bond issued by each of them. In addition, and to avoid potentially detrimental effects to the financial balance of the Fund, the relevant Issuing Institution shall bear the expenses incurred by the Fund as a result of the replacement (or non-replacement) of the Mortgage Covered Bond issued thereby.

2.2.10 Relevant insurance policies relating to the assets.

Not applicable.

2.2.11 Information relating to the obligors where the securitised assets comprise obligations of 5 or fewer obligors which are legal persons or where an obligor accounts for 20% or more of the assets, or where an obligor accounts for a material portion of the assets.

The Mortgage Covered Bond issued by CAJA RURAL DE NAVARRA represents 50.00% of the assets and the Mortgage Covered Bond issued by CAJA RURAL DE GRANADA represents the remaining 50.00%.

The Issuing Institutions have had registration documents containing information with respect to their institutions entered in the CNMV's official registers which are on display at the website www.cnmv.es. The last registration document for CAJA RURAL DE NAVARRA was entered on January 19, 2012 and the last registration document for CAJA RURAL DE GRANADA, S.C.C. was entered on June 7, 2011.

2.2.12 Details of the relationship, if it is material to the issue, between the Issuer, guarantor and obligor.

There are no relationships between the Fund, the Transferor, the Issuing Institutions and the Management Company and other parties involved in the transaction other than as set forth in section 5.2 of the Registration Document and section 3.2 of this Building Block.

2.2.13 Where the assets comprise fixed income securities, a description of the principal terms.

2.2.13.1 Mortgage Covered Bond Interest.

2.2.13.1.1 Ordinary Mortgage Covered Bond Interest.

The unredeemed face value of the Mortgage Covered Bonds shall accrue, from the Closing Date and until the Mortgage Covered Bond Redemption Date (regardless of whether or not there is an Early Redemption of the Mortgage Covered Bonds), ordinary interest at a fixed annual rate (the "**Nominal Interest Rate of the Mortgage Covered Bonds**") of 4.009%.

For interest accrual purposes, the duration of the Bonds shall be divided into successive interest accrual periods (the "**Mortgage Covered Bond Interest Accrual Periods**") comprising the exact number of days elapsed between March 13 of each year (inclusive) and March 13 of the following year (exclusive), other than upon the occurrence of any Early Redemption event of the Mortgage Covered Bonds.

If there is an Early Redemption of the Mortgage Covered Bonds, interest accrued on the days elapsed between the last preceding March 13, inclusive, and the Early Redemption Date of the Mortgage Covered Bonds, exclusive, and on the redeemed principal, shall be repaid to the Fund in a single payment once the relevant Early Redemption event of the Mortgage Covered Bonds provided for in section 2.2.13.2.2 below has occurred.

Determination of the Mortgage Covered Bond Interest Accrual Periods shall not take into account whether March 13 of any year or the Mortgage Covered Bond Early Redemption Date is a Business Day or not.

Ordinary Mortgage Covered Bond interest accrued during each Mortgage Covered Bond Interest Accrual Period shall be paid on the second (2^{nd}) Business Day preceding the Payment Date (each of them being a "**Collection Date**"), or on the Mortgage Covered Bond Early Redemption date, as the case may be.

Calculation of Mortgage Covered Bond interest accrued, in any Mortgage Covered Bond Interest Accrual Period, shall be based on the exact number of days existing in that Mortgage Covered Bond Interest Accrual Period and a year consisting of the exact number of days in that year (i.e. Actual/Actual basis)

2.2.13.1.2 Mortgage Covered Bond late payment interest.

Overdue principal amounts (from the Mortgage Covered Bond Redemption Date) and ordinary Mortgage Covered Bond interest shall accrue on a daily basis from the date of default until actually paid, yearly nominal late payment interest which shall be the result of adding: (a) the Nominal Interest Rate of the Mortgage Covered Bonds, and (b) a 1.5% margin.

Mortgage Covered Bond late payment interest shall be calculated based on the exact number of days elapsed between (i) the Mortgage Covered Bond Redemption Date, in regard to overdue principal amounts as at that date, or the date on which ordinary interest on the affected Mortgage Covered Bond is not paid, in regard to overdue ordinary interest amounts, and (ii) the date on which the overdue principal or ordinary interest is actually credited to the Treasury Account, settlement to be made as of that date.

2.2.13.1.3 Allocation of Mortgage Covered Bond payments.

Payments made by the Issuing Institutions in respect of Mortgage Covered Bond amounts due shall be deemed to have been made, firstly, on account of late payment interest due (if any), secondly, on account of ordinary interest due and, thirdly, on account of principal repayment.

2.2.13.2 Mortgage Covered Bond Redemption.

2.2.13.2.1 Ordinary Mortgage Covered Bond Redemption.

The Mortgage Covered Bonds shall be issued by the Issuing Institutions below their face value and shall mature on March 13, 2017 (the "**Mortgage Covered Bond Redemption Date**"), notwithstanding which there may be an Early Redemption of the Mortgage Covered Bond.

Ordinary redemption of each Mortgage Covered Bond shall take place by repayment of its face value in a single payment to the Fund two (2) Business Days before the Mortgage Covered Bond Redemption Date and the Calendar Maturity Date of the Bonds.

2.2.13.2.2 Early Redemption of the Mortgage Covered Bonds.

Each Mortgage Covered Bond shall be redeemed early ("**Early Redemption of the Mortgage Covered Bond**") in the following events:

a) In the event of non-payment of overdue Mortgage Covered Bond ordinary interest, in which case the Management Company shall bring, for and on behalf of the Fund, any and all appropriate legal actions to claim against the Issuing Institution that has defaulted on its payment obligation.

b) In the event that the Mortgage Covered Bond cannot be replaced on the terms provided for in section 2.2.9 of this Building Block.

c) In the event of statutory early redemption as provided for in article 25 of Royal Decree 716/2009, on the terms referred to in section 2.2.13.2.3 below.

d) In the event of a change of tax laws, in such a way as to create taxes, rates or withholdings with respect to interest payments on the Mortgage Covered Bond that materially affect the holder's financial balance and, specifically, where such change affects the Fund's financial balance. In that case, there will be an early redemption of the Mortgage Covered Bond automatically and to the extent of the full amount outstanding, and shall be due and payable for the Issuing Institution, and the Fund shall terminate and be liquidated as provided for below and in section 4.4.3 of the Registration Document:

   (i) upon the change of tax laws as referred to above, the Management Company shall declare early termination of all the Mortgage Covered Bonds which have not been fully redeemed;

   (ii) the Management Company shall notify that declaration of early termination of the Mortgage Covered Bonds to the Issuing Institutions at least thirty (30) days ahead of the Collection Date on which payment is to be made;

   (iii) payment by the Issuing Institutions derived from early termination of the Mortgage Covered Bonds in these cases shall be made on a Collection Date; and

   (iv) declaration of early termination of the Mortgage Covered Bonds as established in this section shall be notified to the CNMV, the Rating Agency and Bondholders as provided for in the Deed of Constitution of the Fund and in this Prospectus.

e) In the event that either Issuing Institution should decide to proceed to Voluntary Early Redemption of the Mortgage Covered Bonds as established in section 2.2.13.2.4 of the Building Block.

In any of the events of Early Redemption of the Mortgage Covered Bonds, the face value to be redeemed of the affected Mortgage Covered Bond and the relevant accrued interest shall be repaid to the Fund in a single payment upon the occurrence of the event at issue, on the terms and date provided for in each case in the Prospectus, the Deed of Constitution of the Fund and in the physical certificate representing each Mortgage Covered Bond (even if that does not fall on a Collection Date on the terms provided for in this Prospectus).

2.2.13.2.3 Statutory Early Redemption of the Mortgage Covered Bonds.

Pursuant to Act 2/1981 and Royal Decree 716/2009, if either Issuing Institution should, at any time during the life of the Mortgage Covered Bond issued by each of them, exceed the issue limits of mortgage covered bonds laid down by the applicable laws, the Issuing Institution at issue shall restore equilibrium by doing one of the following:

a) Posting cash or public funds with the Bank of Spain.

b) Acquiring own mortgage covered bonds in the market.

c) Issuing new mortgage loans or credit facilities or acquiring mortgage participation certificates, eligible for reckoning the issue limit for covered bonds. In addition, bank guarantees or credit insurance may be taken out in terms of article 5.2 of Royal Decree 716/2009 in order for the loans or credit facilities that may have become ineligible for the aforementioned reckoning of the issue limit for covered bonds to become eligible again.

d) Earmarking new replacement assets for payment of the covered bonds, as referred to in article 17.2. of Act 2/1981, provided that the limits established in the second paragraph of article 16 thereof are not thereby exceeded.

e) Redeeming mortgage covered bonds to the extent required for restoring equilibrium. This redemption shall, if necessary, be early and may be partial.

f) Any other relevant action permitted by the laws in force from time to time.

In the event that it should come to either Issuing Institution's notice that the issue limits for mortgage covered bonds laid down in the applicable laws have been exceeded, it shall so advise the Management Company immediately, and the latter shall in turn notify the Rating Agency.

Within five (5) days of the notice referred to in the preceding paragraph (remedy period), the affected Issuing Institution shall notify the Management Company of which statutorily available option it shall elect in order to return to the statutory limits set in that connection, as provided for below.

The Issuing Institutions shall adopt, from among the relevant measures available to them in accordance with the applicable laws, such measure or measures as shall be least detrimental to the Fund's financial balance and Bondholders' economic interests. Accordingly, the Issuing Institutions shall endeavour to restore equilibrium in the first place, either by posting cash or public funds with the Bank of Spain, or by issuing new mortgage loans or credit facilities or by acquiring mortgage participation certificates or earmarking new replacement assets, as provided for in article 25.e) of Royal Decree 716/2009. In the event that equilibrium cannot be restored by any of the aforementioned measures, the Issuing Institutions shall proceed to acquire mortgage covered bonds in the market and shall make no mortgage covered bond repurchase commitment detrimental to the Fund's interests.

If none of the options referred to in the preceding paragraph should be possible and, as a result, the Issuing Institution should be bound to proceed to redeem mortgage covered bonds and such covered bonds should include the Mortgage Covered Bond included among the Fund's assets, in accordance with the procedure laid down in article 25.2 f) of Royal Decree 716/2009, pursuant to which covered bonds shall be redeemed early, if necessary, to the extent required to restore equilibrium, and therefore redemption of the Mortgage Covered Bond may be partial by reducing their face amount. The Management Company shall be given reasonable notice of redemption of the Mortgage Covered Bond under article 25.2 f) of Royal Decree 716/2009 in order that it can take such measures as may be appropriate.

In this Early Redemption event, the date on which all relevant payments to the Fund are made need not be a Collection Date.

If Early Redemption of the Mortgage Covered Bonds is to occur, on the terms described in this section, notice thereof shall be given by the Management Company to the CNMV, the Rating Agency and Bondholders, as provided for in sections 4.2 and 4.3 of the Building Block. As soon as the relevant amount has been credited to the Treasury Account and the Management Company, for and on behalf of the Fund, is able to have use of the same, it shall proceed to partially redeem the Bonds as established in section 4.9.2.2.1 of the Securities Note.

2.2.13.2.4 Voluntary Early Redemption of the Mortgage Covered Bonds.

The Issuing Institutions may redeem the Mortgage Covered Bond in full or in part in accordance with the procedure and on the terms laid down in this section ("**Voluntary Early Redemption of the Mortgage Covered Bonds**"). To do so, the Issuing Institution proceeding to such Voluntary Early Redemption of its Mortgage Covered Bond shall be holder of Bonds in an amount at least as high as the face amount of the Mortgage Covered Bond to be redeemed, in whole or in part.

Each Mortgage Covered Bond may only be redeemed in accordance with the procedure established in this section, in whole or in part, and on the 13th of each month, or the next succeeding Business Day if that is not a Business Day (the "**Voluntary Early Redemption Date**").

In order to proceed to early redemption of Mortgage Covered Bonds, the Issuing Institution shall have to notify the Management Company by the 20th of the month preceding the month in which Voluntary Early Redemption is to occur.

In order to proceed to Voluntary Early Redemption of the Mortgage Covered Bonds, the Issuing Institution to have notified its intention to proceed to early redemption shall credit the outstanding principal amount plus interest accrued from the last Payment Date (inclusive) until the Voluntary Early Redemption Date (exclusive) to the Treasury Account on the second Business Day preceding the latter.

2.2.14 Where the assets comprise equity securities, a description of the principal terms.

Not applicable.

2.2.15 If the assets comprise equity securities that are not traded on a regulated or equivalent market, where they represent more than ten (10) per cent of the securitised assets, a description of the principal terms.

Not applicable.

2.2.16 Valuation reports relating to the property and cash flow/income streams where a material portion of the assets are secured on real property.

Not applicable.

2.3 Actively managed assets backing the issue.

Not applicable.

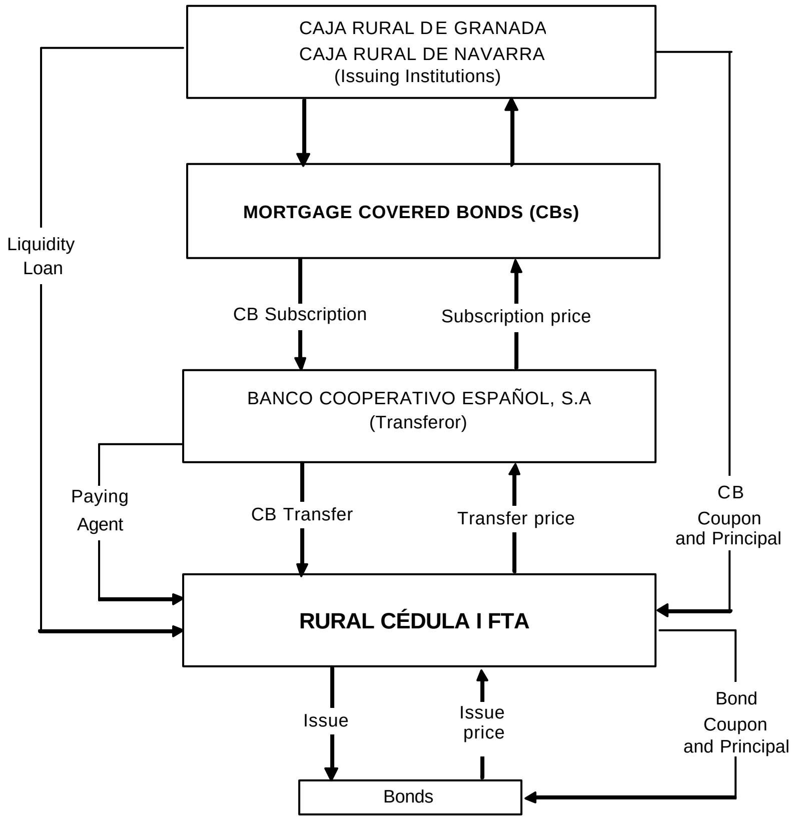
2.4 Where the Issuer proposes to issue further securities backed by the same assets, statement to that effect and description of how the holders of that class will be informed.

Not applicable.

3. STRUCTURE AND CASH FLOW

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

Transaction structure diagram.



Initial balance sheet of the Fund.

The initial balance sheet of the Fund will be as follows :

ASSETS		LIABILITIES	
TOTAL ASSETS	**1,086,180,000.00**	**TOTAL LIABILITIES**	**1,086,180,000.00**
Mortgage Covered Bonds	999,500,000.00	Bonds	1,000,000,000.00
Treasury Account	86,680,000.00	Liquidity Loan	86,180,000.00
Liquidity Fund	*86,180,000.00*		
Initial expenses amount	*500,000.00*		

(Amounts in EUR)

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

a) EUROPEA DE TITULIZACIÓN is the Fund Management Company.

b) BANCO COOPERATIVO and EUROPEA DE TITULIZACIÓN have structured the financial terms of the Fund and the Bond issue.

c) CAJA RURAL DE GRANADA and CAJA RURAL DE NAVARRA are the Issuing Institutions of the Mortgage Covered Bonds pooled in the Fund and shall be the Fund's counterparties in the Liquidity Loan and Financial Intermediation Agreements.

d) BANCO COOPERATIVO is involved as Lead Manager, as Transferor and as Subscriber of the Bonds.

e) BANCO COOPERATIVO is involved as Bond Paying Agent and shall be the Fund's counterparty in the Guaranteed Interest Rate Account (Treasury Account), and Mortgage Covered Bond Custody Agreements.

f) GARRIGUES, as independent adviser, has provided legal advice for establishing the Fund and the Bond issue and has been involved in reviewing this Prospectus and in reviewing the transaction and financial service agreements referred to herein and the Deed of Constitution.

g) Moody's is the Rating Agency that has rated each Bond.

The description of the institutions referred to in the above paragraphs is given in section 5.2 of the Registration Document.

The Management Company represents that the summary descriptions of those agreements, given in the relevant sections of this Prospectus, which it shall enter into for and on behalf of the Fund, include the most substantial and relevant information on each agreement, duly reflect their contents and that no information has been omitted which might affect the contents of the Prospectus.

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

3.3.1 Perfecting the assignment of the Mortgage Covered Bonds to the Fund.

Each Issuing Institution shall on the date of Establishment, before execution of the Deed of Constitution of the Fund, issue the relevant Mortgage Covered Bond to be immediately subscribed for by the Transferor. The Transferor shall assign and transfer the singular registered Mortgage Covered Bonds issued by the Issuing Institutions and subscribed for thereby to the Fund, specifying their face amounts, and hand to the Management Company, acting for and on behalf of the Fund, the physical certificates representing the same upon the Deed of Constitution of the Fund being executed.

The Fund shall acquire the Mortgage Covered Bonds assigned by the Transferor for all the term remaining until they are fully redeemed.

3.3.2 Mortgage Covered Bond issue and assignment terms.

The issue of the Mortgage Covered Bonds shall be carried out by the Issuing Institutions in accordance with Spanish laws and in particular pursuant to Act 2/1981 and Royal Decree 716/2009.

In accordance with the special Spanish laws applicable, in order for assignment by the Transferor to the Fund of the Mortgage Covered Bonds to be valid, only a written statement on the actual registered certificate or conclusion of an assignment document shall be required, and the Issuing Institutions of the Mortgage Covered Bonds need not be notified. The Issuing Institutions will however be present when the Deed of Constitution is executed and will therefore confirm that notice shall have been served on them of the assignment of the Mortgage Covered Bonds to the Fund. The Mortgage Covered Bonds shall be transferable without a commissioner for oaths having to be involved in accordance with the laws for the time being in force.

3.3.3 Mortgage Covered Bond assignment price.

The assignment price of the Mortgage Covered Bonds to the Fund shall be 99.95% (equal to the subscription price of the Bonds issued (100.00%), minus the initial expenses amount of the Fund: 0.05%), which shall be paid by the Management Company, for and on behalf of the Fund, to the Transferor on the Closing Date, for same day value, once the Fund has received the subscription price for the Bonds issued, by crediting that assignment price to the account opened in the Transferor's name as determined in the Deed of Constitution of the Fund.

In turn, the amount paid by the Transferor to each Mortgage Covered Bond Issuing Institution shall be equal to the relevant ratio of that Issuing Institution's Mortgage Covered Bonds to all the Mortgage Covered Bonds in the issue, with respect to the total amount paid for the assignment to the Fund for the Mortgage Covered Bonds as a whole.

3.4 Explanation of the flow of funds.

3.4.1 How the cash flow from the assets will meet the Issuer's obligations to holders of the securities.

Mortgage Covered Bond interest payments shall be received at least two (2) Business Days before each Bond Payment Date, i.e. on each Collection Date.

Mortgage Covered Bond principal amounts, other than in the event of Early Redemption of the Mortgage Covered Bonds occurring, shall be received at least two (2) Business Days before the Calendar Maturity Date.

The Liquidity Fund shall be drawn, as the case may be, to settle Bond interest payment and to settle payment of extraordinary expenses incurred by the Fund upon a payment default of any Mortgage Covered Bond.

All payments shall be made in the Priority of Payments described in section 3.4.6.2 of this Building Block.

3.4.2 Information on any credit enhancement.

The only credit enhancement transaction incorporated to the financial structure of the Fund is the Liquidity Fund, which shall be endowed on the Closing Date out of the Liquidity Loan granted to the Fund by CAJA RURAL DE GRANADA and CAJA RURAL DE NAVARRA and described in section 3.4.2.2 below.

3.4.2.1 Liquidity Fund.

The Management Company shall set up a liquidity fund (the "**Liquidity Fund**") on the Closing Date by drawing down fully the Liquidity Loan principal in order to settle, as the case may be, (i) Bond interest payment, and (ii) payment of any extraordinary expenses incurred by the Fund upon payment default of any Mortgage Covered Bond. The Liquidity Fund amount shall be credited to the Fund's Treasury Account.

The Liquidity Fund shall be split into two Funds:

(i) The interest Liquidity Fund (the "**Interest Liquidity Fund**") determined by the Rating Agency based on the Nominal Interest Rate of the Bonds and the default probability assigned by the Rating Agency to the Issuing Institutions.

    The Interest Liquidity Fund shall in turn be split per Issuing Institution and shall for each of them be at all times proportional to the unredeemed face value of the Mortgage Covered Bond issued by each Issuing Institution.

The Interest Liquidity Fund for each Issuing Institution may only be used by the Fund for Bond interest payment to that Issuing Institution in third (3rd) place in the application of Available Funds in the Priority of Payments and upon the Available Funds falling short, in accordance with the rules of the Priority of Payments.

(ii) The extraordinary expenses Liquidity Fund (the "**Extraordinary Expenses Liquidity Fund**") determined by the Rating Agency based on estimated costs of executing the Mortgage Covered Bonds and the default probability assigned by the Rating Agency to each Issuing Institution.

The Extraordinary Expenses Liquidity Fund shall in turn be split for each Issuing Institution and shall for each of them be at all times proportional to the unredeemed face value of the Mortgage Covered Bond issued by each Issuing Institution.

The Extraordinary Expenses Liquidity Fund for each Issuing Institution may only be used by the Fund for payment of any extraordinary expenses incurred by the Fund upon payment default and therefore enforcement of that Issuing Institution's Mortgage Covered Bond and upon the Available Funds falling short, in accordance with the rules of the Priority of Payments.

Based on the above, the initial Liquidity Fund amount shall be distributed on the Closing Date as follows:

Liquidity Fund (i) + (ii):	**EUR**	**86,180,000.00**
(i) Interest Liquidity Fund (a) + (b):	**EUR**	**80,180,000.00**
(a) for CAJA RURAL DE GRANADA:	*EUR*	40,090,000.00
(b) for CAJA RURAL DE NAVARRA:	*EUR*	40,090,000.00
(ii) Extraordinary Expenses Liquidity Fund (c) + (d):	**EUR**	**6,000,000.00**
(c) for CAJA RURAL DE GRANADA:	*EUR*	3,000,000.00
(d) for CAJA RURAL DE NAVARRA:	*EUR*	3,000,000.00

3.4.2.2 Liquidity Loan.

The Management Company shall enter, on the date of establishment of the Fund, for and on behalf of the Fund, with CAJA RURAL DE GRANADA and with CAJA RURAL DE NAVARRA an agreement whereby the latter shall grant to the Fund a commercial loan (the "**Liquidity Loan**") totalling EUR eighty-six million one hundred and eighty thousand (86,180,000.00) (the "**Liquidity Loan Agreement**"), distributed among the Issuing Institutions as lenders pro rata to the face value of the Mortgage Covered Bond issued by each of them and assigned to the Fund by the Transferor.

The Liquidity Loan shall be delivered on the Closing Date and be allocated to setting up the Liquidity Fund on the terms provided for in section 3.4.2.1 above of this Building Block.

Outstanding Liquidity Loan principal shall earn interest equal to the interest earned and paid in connection with that principal remaining in the Fund's Treasury Account. Interest shall be settled and be payable on the expiry date of each Interest Accrual Period on each Payment Date or, in the event of Early Redemption of the Bonds, on that date. This interest will be paid only if the Fund should have sufficient liquidity in the Priority of Payments.

Liquidity Loan principal shall be repaid to each lender on the earlier of the following dates:

(i) In the event of Early Redemption of a Mortgage Covered Bond, on the date on which the relevant Early Redemption of the Bonds occurs and in the same proportion as the relevant Early Redemption of the Mortgage Covered Bond.

(ii) On the date on which Liquidation of the Fund occurs, to the full extent of the Liquidity Fund not used.

(iii) In the event of the Liquidity Fund being used in part or in full, the Business Day after the date on which the Fund receives the proceeds of the enforcement of the Mortgage Covered Bond originating such use.

(iv) On the Final Maturity Date.

All Liquidity Loan amounts due and not paid by the Fund because of a shortfall of Available Funds shall be paid on the following dates on which the Available Funds allow payment in the Priority of Payments of the Fund. Payment of amounts not paid shall take precedence over amounts falling due under the Liquidity Loan on that Payment Date, in the Priority of Payments.

3.4.3 Details of any subordinated debt finance.

Not applicable.

3.4.4 Investment parameters for the investment of temporary liquidity surpluses and parties responsible for such investment.

3.4.4.1 Treasury Account.

The Management Company, for and on behalf of the Fund, and BANCO COOPERATIVO shall enter into a guaranteed interest rate account agreement (the "**Guaranteed Interest Rate Account (Treasury Account) Agreement**") whereby BANCO COOPERATIVO will guarantee a certain floating yield on the amounts paid by the Fund through its Management Company into a financial account. The Guaranteed Interest Rate Account (Treasury Account) Agreement shall specifically determine that all amounts received by the Fund will be paid into a financial account in Euros (the "**Treasury Account**") opened at BANCO COOPERATIVO, in the name of the Fund by the Management Company, which amounts shall mostly consist of the following:

(i) cash amount received upon subscription for the Bond issue being paid up;

(ii) Mortgage Covered Bond principal repaid and interest collected, including late payment interest, if any;

(iii) any other Mortgage Covered Bond amounts received payable to the Fund;

(iv) the Liquidity Loan designed to pay Bond interest and/or any extraordinary expenses incurred by the Fund upon enforcing the Mortgage Covered Bonds;

(v) the amounts of the returns obtained on Treasury Account balances; and

(vi) the amounts, if any, of interim withholdings on the return on investments to be effected on each relevant Payment Date on the Bond interest paid by the Fund, until due for payment to the Tax Administration.

BANCO COOPERATIVO shall pay an annual nominal interest rate, floating quarterly and settled quarterly, other than for the first interest accrual period, the duration of and the interest settlement for which shall be based on the duration of that period, applicable for each interest accrual period to the positive daily balances if any on the Treasury Account. The interest rate applicable to each interest accrual period shall be three-month Euribor set at 11am (CET) on the second Business Day preceding the commencement date of each interest accrual period. Exceptionally, the interest rate applicable to the first interest accrual period shall be three-month Euribor set at 11am (CET) on the second Business Day preceding the Closing Date. Interest shall be settled on the date of expiry of each interest accrual period on each of March 6, June 6, September 6 and December 6, and shall be calculated based on: (i) the exact number of days in each interest accrual period, and (ii) a three-hundred-and-sixty (360-) day year. The first interest accrual period shall comprise the days elapsed between the date of establishment of the Fund and June 6, 2012.

In the event that the rating of the long- and short-term unsecured and unsubordinated debt obligations of BANCO COOPERATIVO or the replacement institution in which the Treasury Account is opened (both the "**Treasury Account Provider**") should, at any time during the life of the Bond issue, be respectively downgraded below A3 and P-2 by Moody's, the Management Company shall, within not more than thirty (30) calendar days from the time of the occurrence of the downgrade below A3 or P-2, do one of the following so as to allow a suitable level of guarantee to be maintained with respect to the commitments derived from the Guaranteed Interest Rate Account (Treasury Account) Agreement in order for the rating given to the Bonds by the Rating Agency not to be adversely affected:

a) Obtain from an institution with long- and short-term unsecured and unsubordinated debt obligations rated at least as high as A3 and P-2 by Moody's, an unconditional and irrevocable first demand guarantee securing for the Fund, merely upon the Management Company so requesting, prompt payment by the Treasury Account Provider of its obligation to repay the amounts credited to the Treasury Account, for such time as the Treasury Account Provider's debt obligations remain downgraded below A3 or P-2.

b) Transfer the Treasury Account to an institution with short-term unsecured and unsubordinated debt obligations respectively rated A3 and P-2 by Moody's, and arranging a yield for its balances, which may differ from that arranged with the Treasury Account Provider under the Guaranteed Interest Rate Account (Treasury Account) Agreement.

In the event of b) above occurring and that BANCO COOPERATIVO's long- and short-term unsecured and unsubordinated debt obligations should subsequently be upgraded back respectively to A3 and P-2 by Moody's, the Management Company shall subsequently transfer the balances back to BANCO COOPERATIVO under the Guaranteed Interest Rate Account (Treasury Account) Agreement.

All costs, expenses and taxes incurred in connection with putting in place and arranging the above options shall be borne by BANCO COOPERATIVO or, as the case may be, the guaranteed Treasury Account Provider.

The Treasury Account Provider shall agree, forthwith upon its credit rating being downgraded, to use commercially reasonable efforts in order that the Management Company may do either of (a) or (b) above.

3.4.5 Collection by the Fund of payments in respect of the assets.

The Fund shall receive Mortgage Covered Bond interest payments on each Collection Date.

The Mortgage Covered Bond Collection Date shall be the second (2^{nd}) Business Day preceding each Payment Date.

Mortgage Covered Bond payments by the Issuing Institutions repaying principal on the Mortgage Covered Bonds pooled in the Fund shall be made on the second Business Day preceding the Mortgage Covered Bond Redemption Date. This shall be without prejudice to the description given in sections 4.4.3 and 4.4.4 of the Registration Document in regard to Fund Liquidation and termination procedures.

3.4.6 Order of priority of payments made by the Issuer.

3.4.6.1 Source and application of funds on the Bond Closing Date and until the first Payment Date, exclusive.

The source of the amounts available for the Fund on the Closing Date and their application until the first Payment Date, exclusive, shall be as follows.

1. **Source:** the Fund shall have the following funds:
   a) Bond subscription payment.
   b) Drawing Liquidity Loan principal.

2. **Application:** in turn, the Fund will apply the funds described above to the following payments:

   a) Payment of the price for acquiring the Mortgage Covered Bonds.

   b) Payment of the Fund set-up and Bond issue and admission expenses.

   c) Setting up the Liquidity Fund.

3.4.6.2 Source and application of funds from the Closing Date, exclusive, until total redemption of the Bonds.

On each date on which the Fund has to make payments, the Management Company shall proceed successively to apply the Available Funds in accordance with the order of priority of payments given hereinafter for each of them (the "**Priority of Payments**").

3.4.6.2.1 Available Funds: source and application.

1. **Source.**

   The available funds (the "**Available Funds**") to meet the payment obligations listed in section 2 below shall be the following amounts credited to the Treasury Account identified as such by the Management Company (based on information received from the Issuing Institutions concerning the items applied):

   a) Mortgage Covered Bond redemption income received.

   b) Mortgage Covered Bond ordinary and late-payment interest income received.

   c) The balance of the amount of the Fund's initial expenses not to have been used and, as the case may be, the amount of the Available Funds not used on the Payment Date preceding the then-current Payment Date and still credited to the Treasury Account.

   d) The return received on amounts credited to the Treasury Account.

   e) As the case may be, any other unexpected income amounts from the Issuing Institutions or third parties in connection with items other than and not associated with Mortgage Covered Bond principal and interest.

   f) The proceeds of execution and/or liquidation, as the case may be and where appropriate, of the Fund's assets.

   g) As the case may be, the Interest Liquidity Fund and the Extraordinary Expenses Liquidity Fund amounts, solely and separately allocated to meeting the Bond interest payment obligations and any extraordinary expenses incurred by the Fund due to payment default and therefore enforcement of any Mortgage Covered Bond, as provided for in section 3.4.2.1 of this Building Block.

2. **Application.**

   The Available Funds shall be applied on each Payment Date and on each applicable date to meeting payment obligations, irrespective of the time of accrual, in the following order of priority:

   1. Payment of the Fund's properly supported taxes and ordinary(1) and extraordinary(2) expenses, whether or not they were disbursed by the Management Company, including those arising from the Paying Agent Agreement, and the Fund set-up and Bond issue and admission expenses not paid from the Closing Date.

   2. Payment of extraordinary expenses, if any, incurred by the Fund due to payment default and therefore enforcement of any Mortgage Covered Bond.

   3. Payment of interest due on the Bonds.

   4. Payment of interest due on the Liquidity Loan.

5. Repayment of the Liquidity Loan principal to the extent repaid.

6. Repayment of Bond principal.

7. Payment of the Financial Intermediation Margin.

(1) The following shall be considered ordinary expenses of the Fund:

a) Any expenses deriving from mandatory administrative verifications, registrations and authorisations, other than payment of the Fund set-up and Bond issue and admission expenses.

b) Rating Agency fees for monitoring and maintaining the Bond rating.

c) Expenses relating to keeping the Bond accounting record representing the Bonds by means of book entries, admission to trading in organised secondary markets and maintaining all of the foregoing.

d) Expenses of auditing the annual accounts.

e) Bond redemption expenses.

f) Expenses deriving from announcements and notices relating to the Fund and/or the Bonds.

The Fund's ordinary annual expenses, including the periodic servicing fee for the Management Company and those arising from the Paying Agent Agreement, are estimated to be approximately EUR seventy thousand (70,000.00).

(2) The following shall be considered extraordinary expenses of the Fund:

a) Expenses and costs, if any, incurred in preparing and perfecting an amendment of the Deed of Constitution and of the agreements, and from entering into additional agreements.

b) Extraordinary expenses of audits and legal advice.

c) The remaining amount, if any, of the initial Fund set-up and Bond issue and admission expenses exceeding the existing difference between the Bond issue price and the Mortgage Covered Bond assignment price to the Fund.

d) In general, any other extraordinary expenses or costs required or not determined among ordinary expenses borne by the Fund or borne or incurred by the Management Company for and on behalf of the Fund.

3.4.6.2.2 Exceptional Priority of Payments rules.

(i) When accounts payable for different items exist in a same priority order number on a given date and the Available Funds are not sufficient to settle the amounts due under all of them, the application of the remaining Available Funds shall be prorated among the amounts payable under each such item, and the amount applied to each item shall be distributed in the priority in which the accounts payable fall due.

(ii) All amounts due and not paid by the Fund because the Available Funds fall short shall be paid on the following Payment Dates on which the Available Funds allow payment in the Priority of Payments of the Fund. Amounts not paid on preceding Payment Dates shall be paid with priority over the amounts that should have been paid in the same priority on that Payment Date, in the Priority of Payments.

(iii) Amounts due and not paid by the Fund because the Available Funds fall short shall not accrue additional or late payment interest.

(iv) If by the Calendar Maturity Date either Mortgage Covered Bond should have overdue payments, and notwithstanding the provisions in that connection in this Prospectus, the Priority of Payments set out in section 3.4.6.2.1.2 above shall be applied on all such dates as the Fund proceeds to distribute any Mortgage Covered Bond amounts collected.

3.4.6.3 Financial Intermediation Margin.

The Management Company shall, for and on behalf of the Fund, enter with the Issuing Institutions into a Financial Intermediation Agreement designed to compensate the Issuing Institutions for the financial intermediation process carried out, enabling the financial transformation defining the Fund's activity, the assignment to the Fund of the Mortgage Covered Bonds and the rating assigned to the Bonds.

The Issuing Institutions shall be entitled to receive from the Fund a subordinated fee (the "**Financial Intermediation Margin**") in an amount equal to the positive difference, if any, between income and expenditure accrued by the Fund, which shall be settled, as the case may be, on the earlier of the Final Maturity Date or the date of Liquidation of the Fund.

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

3.4.7.1 Bond issue Paying Agent.

The Management Company shall, for and on behalf of the Fund, enter with BANCO COOPERATIVO into a paying agent agreement to service the Bond issue (the "**Paying Agent Agreement**").

The main obligation to be taken on by BANCO COOPERATIVO (the "**Paying Agent**") under this Paying Agent Agreement shall be, on each Bond Payment Date or, as the case may be, on any other relevant date, out of the Fund's Treasury Account, to pay Bond interest and, as the case may be, repay Bond principal through Iberclear, after deducting the total amount, if any, of the interim tax withholding for return on investments to be made by the Management Company, on the Fund's behalf, in accordance with applicable tax laws.

In the event that the rating of the Paying Agent's long- and short-term unsecured and unsubordinated debt obligations should be downgraded, at any time during the life of the Bond issue, respectively below A3 and P-2 by Moody's, the Management Company shall, within not more than thirty (30) calendar days from the time of the occurrence of the downgrade below A3 or P-2, do one of the following after notifying the Rating Agency: (i) obtain from an institution with long- and short-term unsecured and unsubordinated debt obligations rated at least as high as A3 and P-2 by Moody's an unconditional and irrevocable first demand guarantee securing for the Fund, merely upon the Management Company so requesting, the commitments made by the Paying Agent, for such time as such the Paying Agent's downgrade below A3 or P-2 remains in place, or (ii) revoke the Paying Agent's designation and thereupon designate another institution with long- and short-term unsecured and unsubordinated debt obligations respectively rated at least as high as A3 and P-2 by Moody's to take its place before terminating the Paying Agent Agreement. All costs, expenses and taxes incurred in connection with doing and arranging (i) above shall be borne by BANCO COOPERATIVO or, as the case may be, the guaranteed institution.

The Paying Agent shall agree, forthwith upon its credit rating being downgraded, to use commercially reasonable efforts in order that the Management Company may do one of (i) or (ii) above.

In consideration of the services to be provided by the Paying Agent, the Fund shall pay it on each Payment Date during the term of the agreement, a fee which shall be paid provided that the Fund has sufficient liquidity and in the Priority of Payments.

In the event that, in the Priority of Payments, the Fund should not have sufficient liquidity to pay said full fee on a Payment Date, then the unpaid amounts shall be accumulated without any penalty whatsoever to the fee payable on the following Payment Date, unless that absence of liquidity should continue, in which case the amounts due shall build up until fully paid on the Payment Date on which they are settled, in the Priority of Payments.

3.5 Name, address and significant business activities of the transferor of the securitised assets.

The Transferor of the Mortgage Covered Bonds shall be BANCO COOPERATIVO ESPAÑOL, S.A.

Registered office: Calle Virgen de los Peligros number 4, 28013 Madrid (Spain).

The following is the relevant consolidated financial information at December 31, 2011 and December 31, 2010, and how those dates compare. Only the financial information at December 31, 2010. That information was prepared in accordance with International Financial Reporting Standards applicable to it under Regulation EC 1606/2002 and Bank of Spain Circular 4/2004, including the changes made thereto by Circular 6/2008.

	31/12/2011 (A)	31/12/2010 (B)	(A) - (B) (B)
BALANCE SHEET (KEUR)			
Total assets	15,886,806	10,399,504	52.77%
Customer credit (gross)	424,994	367,217	15.73%
Balance-sheet customer resources	1,803,547	1,571,481	14.77%
Other customer resources managed	2,752,040	2,586,142	6.41%
Total customer resources managed	4,555,587	4,157,623	9.57%
Net assets	289,809	269,321	7.61%
Equity (including retained earnings)	300,201	291,576	2.96%
PROFIT & LOSS ACCOUNT (KEUR)			
Intermediation margin	40,081	31,106	28.85%
Basic margin	51,526	41,781	23.32%
Ordinary margin	53,293	49,307	8.08%
Operating margin	31,305	24,310	28.77%
Pre-tax profit	25,163	20,104	25.16%
Profit attributed to the Group	17,625	14,850	18.69%
RELEVANT RATIOS (%)			
Operating margin/ATM	0.25%	0.21%	
ROE	5.80%	5.17%	
ROA	0.14%	0.13%	
RORWA	0.82%	0.73%	
Efficiency ratio	42.6%	50.1%	
Efficiency ratio with depreciation	45.7%	53.8%	
Delinquency rate	0.25%	0.12%	
Mortgage delinquency rate	0%	0%	
Coverage rate	1385.1%	2148.4%	
CAPITAL RATIOS (BIS REGULATIONS)) (%)			
TIER I	14.00%	14.52%	
TIER II	0.69%	0.78%	
TOTAL	14.69%	15.30%	
ADDITIONAL INFORMATION			
Number of shares	1,514,297	1,514,297	
Number of members	68	74	
Number of employees	221	226	
Number of branches	2	2	

3.6 Return on and/or repayment of the securities linked to others which are not assets of the Issuer.

Not applicable.

3.7 Administrator, calculation agent or equivalent.

3.7.1 Management, administration and representation of the Fund and of the holders of the securities.

The Management Company, EUROPEA DE TITULIZACIÓN, shall be responsible for managing and being the authorised representative of the Fund, on the terms set in Royal Decree 926/1998, Act 19/1992, failing a provision in Royal Decree 926/1998 and to the extent applicable, and other applicable laws, and on the terms of the Deed of Constitution and the Prospectus.

The Management Company shall discharge for the Fund the functions attributed to it in Royal Decree 926/1998.

It is also the Management Company's duty, as the manager of third-party portfolios, to represent and enforce the interests of the holders of the Bonds issued by the Fund and of all its other ordinary creditors. Consequently, the Management Company shall make its actions conditional on their protection and observe the provisions established for that purpose from time to time. Bondholders and all other ordinary creditors of the Fund shall have no recourse against the Fund Management Company, other than for a breach of its duties or failure to observe the provisions of the Deed of Constitution and the Prospectus.

3.7.1.2 Administration and representation of the Fund.

The Management Company's obligations and actions in fulfilment of its duty to manage and be the authorised representative of the Fund are the following, for illustrative purposes only and without prejudice to any other actions provided in this Prospectus:

(i) Keeping the Fund's accounts duly separate from the Management Company's own, rendering accounts and satisfying tax and any other statutory obligations of the Fund.

(ii) Making such decisions as may be appropriate in connection with Liquidation of the Fund, as provided for in the Deed of Constitution and in this Prospectus. Moreover, making all appropriate decisions in the event of the establishment of the Fund terminating.

(iii) Complying with its formal, documentary and reporting duties to the CNMV, the Rating Agency and any other supervisory body.

(iv) Appointing and, as the case may be, replacing and dismissing the auditor who is to review and audit the Fund's annual accounts.

(v) Providing Bondholders, the CNMV and the Rating Agency with all such information and notices as may be prescribed by the laws in force for the time being and specifically as established in the Deed of Constitution and in this Prospectus.

(vi) Complying with the calculation duties provided for and taking the actions laid down in the Deed of Constitution and in this Prospectus and in the various Fund transaction agreements or in such others as the Management Company may enter into in due course for and on behalf of the Fund.

(vii) The Management Company may extend or amend the agreements entered into on behalf of the Fund, substitute, as the case may be, each of the Fund service providers on the terms provided for in each agreement. In any event, those actions shall require that the Management Company notify or first secure the authorisation, if necessary, of the CNMV and notify the Rating Agency, and provided that such actions are not detrimental to the rating assigned to the Bonds by the Rating Agency. In addition, the Management Company may amend the Deed of Constitution, on the terms laid down in article 7 of Act 19/1992, set out in section 4.4.1 of the Registration Document. The Deed of Constitution or the agreements may also be corrected upon a request by the CNMV.

(viii) Exercising the rights attaching to the ownership of the Mortgage Covered Bonds acquired by the Fund and, in general, carrying out all such acts of administration and disposition as may be required for properly managing and being the authorised representative of the Fund.

(ix) Checking that the Mortgage Covered Bond income amount actually received by the Fund matches the amounts that must be received by the Fund, on the terms of issue of the Mortgage Covered Bonds and on the terms of their respective agreements resulting in that income.

(x) Where necessary, bringing such legal actions as may be necessary to enforce the Fund's and Bondholders' rights.

(xi) Determining the interest rate applicable to each of the relevant borrowing and lending transactions and calculating and settling the interest and fee amounts receivable and payable by the Fund under the same, and the fees payable for the various financial services arranged for.

(xii) Taking or requesting the taking of the actions for which provision is made in relation to the debt ratings or the financial position of the Fund counterparties in the financial and service provision agreements listed in section 3.2 of this Building Block.

(xiii) Watching that the amounts credited to the Treasury Account return the yield set in the Agreement.

(xiv) Calculating the Available Funds and the payment obligations to be complied with, and applying the same in the Priority of Payments.

(xv) Instructing transfers of funds between the various borrowing and lending accounts, and issuing all relevant payment instructions, including those allocated to servicing the Bonds.

3.7.1.3 Resignation and substitution of the Management Company.

The Management Company shall be substituted in managing and representing the Fund, in accordance with articles 18 and 19 of Royal Decree 926/1998 set forth hereinafter and with subsequent rules statutorily established in that connection.

Resignation.

(i) The Management Company may resign its duties to manage and be the authorised representative of all or part of the funds managed whenever it deems this fit, applying to be substituted in a letter addressed to the CNMV, including a designation of the substitute management company. That letter shall enclose a letter from the new management company, declaring its willingness to take over those duties and applying for the appropriate authorisation.

(ii) The CNMV's substitution authorisation shall be subject to meeting of the following requirements:

(a) The substituted Management Company's delivery of the accounting records and data files to the new management company. That delivery will only be taken to have been made when the new management company is able to fully take over its function and that circumstance is notified to the CNMV.

(b) The rating accorded to the Bonds by the Rating Agency should not fall as a result of the proposed substitution.

(iii) The Management Company may in no event resign its duties until and unless all requirements and formalities have been complied with in order for its substitute to take over its duties.

(iv) The substitution expenses originated shall be borne by the resigning Management Company and may in no event be passed on to the Fund.

(v) The substitution shall be published within fifteen days by means of a notice inserted in two nationwide newspapers and in the bulletin of the organised secondary market where the Bonds issued by the Fund are listed. Furthermore, the Management Company shall notify the Rating Agency of that substitution.

Mandatory substitution.

(i) In the event that the Management Company should be adjudged insolvent or have its licence to operate as a securitisation fund management company revoked by the CNMV, it shall find a substitute management company, in accordance with the provisions of the foregoing section.

(ii) In the event for which provision is made in the preceding section, if four months should have elapsed from the occurrence determining the substitution and no new management company should have been found willing to take over management, there shall be early Liquidation of the Fund and Early Redemption of the Bonds, in accordance with the provisions of this Prospectus and of the Deed of Constitution.

The Management Company agrees to execute such public and private documents as may be necessary for it to be substituted by another management company, in accordance with the system for which provision is made in the preceding paragraphs of this section. The substitute management company shall be substituted in the Management Company's rights and duties under this Prospectus. Furthermore, the Management Company shall hand to the substitute management company such accounting records and data files as it may have to hand in connection with the Fund.

3.7.1.4 Subcontracting.

The Management Company shall be entitled to subcontract or subdelegate to reputable creditworthy third parties the provision of any of the services it has to provide as the manager and authorised representative of the Fund, as established in this Prospectus, provided that the subcontractor or delegated party waives the right to take any action holding the Fund liable. In any event, subcontracting or delegating any service (i) may not result in an additional cost or expense for the Fund, (ii) shall have to be legally possible, (iii) shall not result in the rating accorded to the Bonds by the Rating Agency being downgraded, and (iv) shall be notified to the CNMV and, where statutorily required, first be authorised by the CNMV. Notwithstanding any subcontracting or subdelegation, the Management Company shall not be exonerated or released, under that subcontract or subdelegation, from any of the liabilities undertaken in this Prospectus which may legally be attributed or ascribed to it.

3.7.1.5 Management Company's remuneration.

In consideration of the functions to be discharged by the Management Company, the Fund will pay it a servicing consisting of:

(i) An initial fee which shall accrue upon the Fund being established and be payable on the Closing Date.

(ii) A periodic fee on each Payment Date subject to the Priority of Payments.

If on a Payment Date, in the Priority of Payments, the Fund should not have sufficient liquidity to settle the above-mentioned fee, the amount due shall accrue interest at the Bond Nominal Interest Rate. The unpaid amount and interest due shall build up for payment on the fee payable on the following Payment Date, unless that absence of liquidity should continue, in which case the amounts due shall build up until fully paid, in the Priority of Payments.

3.7.2 Servicing, collection management and custody of the securitised assets.

3.7.2.1 **Servicing and collection management**.

The Management Company shall service and manage collection of the Mortgage Covered Bonds assigned to the Fund until (i) they have all been fully redeemed, (ii) all the obligations taken on thereby in relation to the Mortgage Covered Bonds terminate, or (iii) the Fund terminates after all its assets are liquidated (all of which shall be notwithstanding mandatory substitution of the Management Company as established in section 3.7.1.3 of this Building Block), on the terms set out below.

The Management Company shall use the same efforts in servicing the Mortgage Covered Bonds as if they were its own assets, and shall indemnify the Fund with respect to any damage, loss or expense which it may have incurred as a result of a breach by the Management Company of its obligation to service the Mortgage Covered Bonds or due to a wilful or negligent conduct in the discharge of its duties.

The Management Company shall not be howsoever liable to directly or indirectly guarantee that the transaction will be properly performed and Bondholders shall bear the risk of payment default by the Issuing Institutions on the Mortgage Covered Bonds pooled in the Fund.

The Management Company shall act as Mortgage Covered Bond collection manager, shall receive on the Fund's behalf any Mortgage Covered Bond principal, interest or other amounts paid by the Issuing Institutions, in the event of both ordinary and early redemption, and shall proceed to adopt such measures as may be appropriate in order for the amounts owing to the Fund to be credited to the Treasury Account.

The Management Company shall not under any circumstances advance any Mortgage Covered Bond principal, interest or other amount whatsoever not previously received from the Issuing Institutions.

3.7.2.2 **Custody.**

The Management Company shall, for and on behalf of the Fund, enter with BANCO COOPERATIVO into a Mortgage Covered Bond custody agreement (the "**Mortgage Covered Bond Custody Agreement**"), whereby the Management Company shall deposit with BANCO COOPERATIVO (the "**Custodian**") the registered physical certificates representing the Mortgage Covered Bonds acquired by the Fund on the Date of Establishment.

The Custodian shall be responsible for custody of the physical certificates representing the Mortgage Covered Bonds issued by the Issuing Institutions and pooled in the Fund, until redeemed. The Custodian waives the privileges conferred on the Custodian by Law in this connection, and in particular the privileges provided for in articles 1730 and 1780 of the Civil Code (withholding items deposited as a pledge) and 276 of the Commercial Code (security similar to withholding items deposited as a pledge).

The Custodian shall not be responsible for servicing the Mortgage Covered Bonds, or collection of the relevant interest or any other amounts accrued thereby, and the deposit shall not be applied the provisions of article 308 of the Commercial Code.

The Custodian shall not be howsoever compensated for carrying out these duties.

3.7.2.3 **Actions in the event of Mortgage Covered Bond payment default**.

3.7.2.3.1 **Actions available to the Fund.**

The Fund shall, through the Management Company, have an executive action against Issuing Institutions who are in breach of payment obligations on the Mortgage Covered Bonds issued by them, which shall be brought observing the formalities laid down for executive proceedings in articles 517 et seq. of the Civil Procedure Act.

Subject to the above, the Fund shall, through the Management Company, have a declaratory action against those Issuing Institutions who are in breach of their Mortgage Covered Bond payment obligations, which shall be brought observing the formalities laid down for the relevant ordinary declaratory proceedings having regard to the amount of the claim.

The Fund may also claim against the Transferor and the Issuing Institutions for damages and losses arising from misrepresentation or inaccuracy of the representations referred to in section 2.2.8. of this Building Block.

3.7.2.3.2 **Actions available to the Transferor.**

The Transferor may claim against the Issuing Institutions of the Mortgage Covered Bonds subscribed for by the same and assigned to the Fund, for any damages and losses arising from a breach by those Issuing Institutions of their Mortgage Covered Bond payment obligations, or in the event that the Mortgage Covered Bonds should have latent defects or misrepresentation or inaccuracy of the representations referred to in section 2.2.8. of this Building Block, and the defect at issue is not remedied on the terms provided for in section 2.2.9. of this Building Block, and also for any reason attributable to the Issuing Institutions or the Mortgage Covered Bonds issued by them.

3.7.2.3.3 **Actions available to Bondholders.**

Bondholders shall have no direct right of action against an Issuing Institution who may have defaulted on its payment obligations or against the Transferor; that action shall lie with the Management Company, as the Fund's representative, who shall have that action on the terms provided for in this Prospectus and in the Deed of Constitution of the Fund and as provided for in article 12 of Royal Decree 926/1998. Neither holders of the Bonds issued by the Fund nor the Fund shall have any actions against the Management Company other than for a breach of its obligations and, therefore, at no time as a result of the failure or arrears in payment of the Mortgage Covered Bonds, or Early Redemption of the Mortgage Covered Bonds.

3.8 Name, address and brief description of any swap, credit, liquidity or account counterparties.

CAJA RURAL DE GRANADA and CAJA RURAL DE NAVARRA are the Fund's counterparties under the transaction listed below. The details relating to CAJA RURAL DE GRANADA and CAJA RURAL DE NAVARRA and their activities are respectively given in section 5.2 of the Registration Document.

(i) Liquidity Loan:

Liquidity Loan Agreement

Description in section 3.4.2.2 of this Building Block.

BANCO COOPERATIVO is the Fund's counterparty under the transaction listed below. The details relating to BANCO COOPERATIVO and its activities are respectively given in section 5.2 of the Registration Document.

(i) Treasury Account:

Guaranteed Interest Rate Account (Treasury Account) Agreement

Description in section 3.4.4.1 of this Building Block.

4. POST-ISSUANCE REPORTING

4.1 Obligations and deadlines set to publicise and submit to the CNMV the periodic information on the economic and financial status of the Fund.

As part of its Fund management and administration duty, the Management Company agrees to submit as promptly as possible or by the deadlines given, the information described hereinafter and such additional information as may be reasonably required of it.

4.1.1 Ordinary information.

a) Notices to Bondholders referred to each Payment Date.

In relation to Bond interest payment and repayment, the Management Company agrees to give notices on any such payments to be made by the Fund, at least one (1) calendar day ahead of each Payment Date, provided that the date for payments is a Payment Date for such payments, or the Payment Date next succeeding the date for payments where that date is not a Payment Date.

i) Interest resulting from the Bonds, along with the redemption of the Bonds, as the case may be.

ii) Furthermore, and if appropriate, interest and redemption amounts accrued on the Bonds and not settled due to a shortfall of Available Funds, in accordance with the rules of the Priority of Payments.

iii) The Outstanding Principal Balances of the Bonds, after the redemption to be settled on each Payment Date, and the ratio of such Outstanding Principal Balances to the initial face amount of each Bond.

iv) In relation to the Fund's economic and financial position, a report on the source and subsequent application of the Available Funds in accordance with the Priority of Payments of the Fund.

The above information shall be posted at the Management Company's website.

b) Annually, in relation to the Fund's Annual Accounts:

Annual accounts (balance sheet, profit & loss account and management report) and audit report within the period provided for by law to do so or, otherwise, within three (3) months of the close of each fiscal year, which shall be filed with the CNMV.

4.1.2 Extraordinary notices.

The following shall be the subject of an extraordinary notice:

Any material event occurring in relation to the Mortgage Covered Bonds, the Bonds, the Fund and the Management Company proper, which, being exceptional, may materially influence trading of the Bonds and, in general, any material change in the Fund's assets or liabilities, change in the Deed of Constitution, as the case may be, or in the event of termination of the establishment of the Fund or a decision in due course to proceed to Liquidation of the Fund and Early Redemption of the Bond issue in any of the events provided in this Prospectus. In the latter event, the Management Company shall send to the CNMV the notarial certificate of termination of the Fund and the liquidation procedure followed will be as referred to in section 4.4.4 of the Registration Document.

The amendment of the Deed of Constitution shall be notified by the Management Company to the Rating Agency and be disclosed by the Management Company through the Fund's periodic public information and be posted at the Management Company's website, as the case may be. Where required, a supplement to the Prospectus shall be prepared and disclosed as material information in accordance with the provisions of article 82 of the Securities Market Act.

4.1.3 Procedure to notify Bondholders.

Notices to Bondholders to be made by the Management Company in accordance with the above, in regard to the Fund, shall be given as follows:

1. Ordinary notices.

   Ordinary notices to Bondholders shall be given by publication in the daily bulletin of AIAF Mercado de Renta Fija or any other replacement or similarly characterised bulletin, or by publication in an extensively circulated business and financial or general newspaper in Spain. The Management Company or the Paying Agent may additionally disseminate that information or other information of interest to Bondholders through dissemination channels and systems typical of financial markets, such as Reuters, Bloomberg or any other similarly characterised means.

2. Extraordinary notices.

   Unless otherwise provided in the Deed of Constitution and in the Prospectus, extraordinary notices shall be given by publication in the daily bulletin of AIAF Mercado de Renta Fija or any other replacement or similarly characterised bulletin, or by publication in an extensively circulated business and financial or general newspaper in Spain, and those notices shall be deemed to be given on the date of that publication, any Business Day or other calendar day (as established in this Prospectus) being valid for such notices.

3. Notices and other information.

   The Management Company may provide Bondholders with ordinary and extraordinary notices and other information of interest to them through its own Internet pages or other similarly characterised teletransmission means.

4.1.4 Information to the CNMV.

The information on the Fund shall be submitted to the CNMV using the forms contained in CNMV Circular 2/2009, March 25, on Securitisation Fund accounting rules, annual accounts, public financial statements and non-public statistical information statements, and so will such other information as the CNMV may require of it or by the laws in force from time to time, irrespective of the above.

4.1.5 Information to the Rating Agency.

The Management Company shall provide the Rating Agency with periodic information as to the position of the Fund and the performance of the Mortgage Covered Bonds in order that they may monitor the rating of the Bonds and extraordinary notices. The Management Company shall also use its best efforts to provide that information when it is reasonably required to do so and, in any event, whenever there is a significant change in the conditions of the Fund, in the agreements entered into by the Fund through its Management Company or in the interested parties.

Mario Masiá Vicente, as General Manager for and on behalf of EUROPEA DE TITULIZACIÓN, S.A., SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN signs this Prospectus at Madrid, on March 6, 2012.

GLOSSARY OF DEFINITIONS

"Act 19/1992" shall mean Investment Trusts and Companies System and Mortgage Securitisation Funds Act 19/1992, July 7, as currently worded.

"Act 2/1981" shall mean Mortgage Market Regulation Act 2/1981, March 25, as currently worded.

"Act 3/1994" shall mean Act 3/1994, April 14, adapting Spanish laws in the matter of credit institutions to the Second Banking Coordination Directive and introducing other changes in relation to the financial system, as currently worded.

"Act 6/2011" shall mean Act 6/2011, April 11, amending Financial Intermediary Investment Ratios, Equity and Reporting Duties Act 13/1985, May 25, Securities Market Act 24/1988, July 28, and Legislative Royal Decree 1298/1986, June 28, in relation to adapting credit institutions law in force to European Communities law.

"AIAF" shall mean AIAF Mercado de Renta Fija.

"BANCO COOPERATIVO" shall mean BANCO COOPERATIVO ESPAÑOL S.A.

"**Bankruptcy Act**" shall mean Bankruptcy Act 22/2003, July 9, as currently worded.

"Bond issue" shall mean the issue of Asset-Backed Bonds issued by the Fund having a face value of EUR one billion (1,000,000,000.00).

"Bond Paying Agent Agreement" shall mean the Bond paying agent agreement entered into by the Management Company, for and on behalf of the Fund, and BANCO COOPERATIVO, as Paying Agent.

"Bonds" or **"Asset-Backed Bonds"** shall mean the Bonds issued by the Fund.

"Business Day" shall mean any day other than a public holiday in the city of Madrid or non-business day in the TARGET 2 calendar (or calendar hereinafter taking its stead).

"CAJA RURAL DE GRANADA" shall mean CAJA RURAL DE GRANADA, S.C.C.

"CAJA RURAL DE NAVARRA" shall mean CAJA RURAL DE NAVARRA, S.C.C.

"Calendar Maturity Date" shall mean the date falling on March 13, 2017 or the following Business Day if that is not a Business Day.

"Closing Date" shall mean March 13, 2012, the date on which the cash amount for subscribing for the Bonds shall be paid up.

"CNMV" shall mean National Securities Market Commission (*Comisión Nacional del Mercado de Valores*).

"Collection Date" shall mean the second (2^{nd}) Business Day preceding each Payment Date or the second (2^{nd}) Business Day preceding the Early Redemption Date of the Mortgage Covered Bonds, as the case may be.

"Deed of Constitution" shall mean the public deed recording the establishment of the Fund, assignment of Mortgage Covered Bonds issued by CAJA RURAL DE GRANADA and CAJA RURAL DE NAVARRA and the issue by the Fund of the Asset-Backed Bonds.

"Early Redemption of the Bonds" shall mean Mandatory Early Redemption of the Bonds and Voluntary Early Redemption of the Bonds.

"Early Redemption of the Mortgage Covered Bonds" shall mean redemption of the Mortgage Covered Bonds in the events set out in section 2.2.13.2.2 of the Building Block.

"Euribor" shall mean the Euro Interbank Offered Rate which is the term interbank deposit offered rate in Euros calculated as the daily average of the quotations supplied for fifteen maturity terms by a panel consisting of 43 Banks, from among the most active banks in the Euro zone. The rate is quoted based on a count of the actual days to maturity and a 360-day year, and is fixed at 11am (CET), accurate to three decimal places.

"Extraordinary Expenses Liquidity Fund" shall mean the Liquidity Fund which may only be used by the Fund to pay any extraordinary expenses incurred by the Fund upon payment default of an Issuing Institution's Mortgage Covered Bond and upon the Available Funds falling short, in accordance with the rules of the Priority of Payments.

"Final Maturity Date" shall mean the final Bond redemption date, i.e. March 13, 2019 or the following Business Day if that is not a Business Day.

"Financial Intermediation Agreement" shall mean the agreement designed to compensate the Issuing Institutions for the financial intermediation process carried out, enabling the financial transformation defining the Fund's activity, the assignment to the Fund of the Mortgage Covered Bonds and the rating assigned to the Bonds, entered into between the Management Company, for and on behalf of the Fund, and the Issuing Institutions.

"Fund" or **"Issuer"** shall mean RURAL CÉDULA I FONDO DE TITULIZACIÓN DE ACTIVOS.

"GARRIGUES" shall mean the law firm J&A Garrigues, S.L.P.

"Guaranteed Interest Rate Account (Treasury Account) Agreement" shall mean the guaranteed interest rate account (Treasury Account) agreement entered into by the Management Company, for and on behalf of the Fund, and BANCO COOPERATIVO.

"Iberclear" shall mean Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores S.A.

"Interest Accrual Period" shall mean the exact number days elapsed from March 13 in each year (inclusive) and March 13 in the following year (exclusive), other than upon the occurrence of any Early Redemption event of the Bonds.

"Interest Liquidity Fund" shall mean the Liquidity Fund which may only be used by the Fund for Bond interest payment to each Issuing Institution in third (3rd) place in the application of Available Funds in the Priority of Payments and upon the Available Funds falling short.

"IRR" shall mean internal rate of return as defined in section 4.10.1 of the Securities Note.

"Issuing Institutions" shall mean CAJA RURAL DE GRANADA and CAJA RURAL DE NAVARRA, issuers of the Mortgage Covered Bonds, or each of them individually.

"Lead Manager" shall mean BANCO COOPERATIVO.

"Liquidation Events" shall mean the events contained in section 4.4.3 of the Registration Document in which the Management Company, following notice duly served on the CNMV, is entitled to proceed to early liquidation of the Fund.

"Liquidation" of the Fund shall mean liquidation of the Fund and thereby early redemption of the Bond Issue on a date preceding the Final Maturity Date, in the events and subject to the procedure laid down in section 4.4.3 of the Registration Document.

"Liquidity Fund" shall mean the liquidity fund which may only be used to settle, as the case may be, (i) Bond interest payment, and (ii) payment of any extraordinary expenses incurred by the Fund upon payment default of any Mortgage Covered Bond, and which shall be set up on the Closing Date by drawing down fully the Liquidity Loan principal.

"Liquidity Loan Agreement" shall mean the commercial liquidity loan agreement entered into by the Management Company, for and on behalf of the Fund, and CAJA RURAL DE GRANADA and CAJA RURAL DE NAVARRA, on the terms set out in section 3.4.2.2 of the Building Block.

"Liquidity Loan" shall mean the liquidity loan granted by CAJA RURAL DE GRANADA and CAJA RURAL DE NAVARRA to the Fund, on the terms set out in section 3.4.2.2 of the Building Block.

"Management and Subscription Agreement" shall mean the management and subscription agreement entered into between the Management Company, for and on behalf of the Fund, and BANCO COOPERATIVO as Lead Manager and Subscriber of the Bond issue.

"Management Company" shall mean EUROPEA DE TITULIZACIÓN, S.A., SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN.

"Mandatory Early Redemption of the Bonds" shall mean Mandatory Early Redemption of the Bonds as set out in section 4.9.2.2.1 of the Securities Note.

"Moody's" shall mean both Moody's Investors Service España, S.A. and Moody's Investors Service Limited, the holding company to which Moody's Investors Service España, S.A. is affiliated.

"Mortgage Covered Bond Custody Agreement" shall mean the Mortgage Covered Bond custody agreement entered into between the Management Company, for and on behalf of the Fund, and BANCO COOPERATIVO as Custodian of the registered physical certificates representing the Mortgage Covered Bonds.

"Mortgage Covered Bond Interest Accrual Periods" shall mean the exact number of days elapsed between March 13 of each year (inclusive) and March 13 of the following year (exclusive), other than upon the occurrence of any Early Redemption event of the Mortgage Covered Bonds.

"Mortgage Covered Bond Nominal Interest Rate" shall mean the fixed yearly nominal interest rate applicable to the Mortgage Covered Bonds, and matching the Nominal Interest Rate of the Bonds, namely 4.009%.

"Mortgage Covered Bond Redemption Date" shall mean March 13, 2017, notwithstanding the occurrence of Early Redemption of the Mortgage Covered Bonds.

"Mortgage Covered Bonds" shall mean the two (2) singular Mortgage Covered Bonds issued by the Issuing Institutions and subscribed for by BANCO COOPERATIVO to be assigned to the Fund.

"Nominal Interest Rate" shall mean the fixed yearly nominal interest rate applicable to the Bonds, namely 4.00%.

"Outstanding Principal Balance" shall mean the sum of the outstanding principal to be repaid (outstanding balance) at a date on all the Bonds.

"Paying Agent" shall mean the firm servicing the Bonds. The Paying Agent shall be BANCO COOPERATIVO (or any other institution taking its stead as Paying Agent).

"Payment Date" shall mean March 13 in each year or the following Business Day if any of those is not a Business Day. The first Payment Date shall be March 13, 2013.

"Priority of Payments" shall mean the priority for applying the Available Funds and for distribution of Available Funds for Redemption on each Payment Date, for applying the Fund's payment or withholding obligations.

"Rating Agency" shall mean Moody's.

"Redemption" shall mean early redemption of the entire Bond Issue on a date preceding the Final Maturity Date in the Liquidation Events in accordance with and subject to the requirements laid down in section 4.4.3 of the Registration Document.

"Regulation (EC) no. 809/2004" shall mean Commission Regulation (EC) No. 809/2004, April 29, 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as currently worded.

"Royal Decree 116/1992" shall mean Book Entries and Stock Exchange Transaction Clearing and Settlement Royal Decree 116/1992, February 14, as currently worded.

"Royal Decree 1310/2005" shall mean Royal Decree 1310/2005, November 4, partly implementing Securities Market Act 24/1988, July 28, in regard to admission to trading of securities in official secondary markets, public offerings for sale or subscription and the prospectus required for that purpose.

"Royal Decree 216/2008" shall mean Royal Decree 216/2008, February 15, in relation to the capital of financial institutions.

"Royal Decree 716/2009" shall mean Royal Decree 716/2009, April 24, implementing certain aspects of Mortgage Market Regulation Act 2/1981, March 25, and other mortgage and financial system rules.

"Royal Decree 771/2011" shall mean Royal Decree 771/2011, June 3, amending Royal Decree 216/2008, February 15, in relation to the capital of financial institutions and Royal Decree 2606/1996, December 20, in relation to credit institution deposit guarantee funds.

"Royal Decree 926/1998" shall mean Royal Decree 926/1998, May 14, regulating asset securitisation funds and securitisation fund management companies, as currently worded.

"Securities Market Act" shall mean Securities Market Act 24/1988, July 28, as currently worded.

"Subscriber" shall mean BANCO COOPERATIVO, subscriber of the Bond Issue.

"Transferor" shall mean BANCO COOPERATIVO, the transferor of the Mortgage Covered Bonds.

"Treasury Account" shall mean the financial account in Euros opened at BANCO COOPERATIVO in the Fund's name, in accordance with the provisions of the Guaranteed Interest Rate Account (Treasury Account) Agreement, through which the Fund will make and receive all payments.

"Voluntary Early Redemption Date" shall mean the 1st of each month, or the next succeeding Business Day if that is not a Business Day, on which the Issuing Institutions may redeem the Mortgage Covered Bonds as established in section 2.2.13.2.4 of the Building Block.

"Voluntary Early Redemption of the Bonds" shall mean Voluntary Early Redemption of the Bonds as set out in section 4.9.2.2.2 of the Securities Note.