



Tagging Info

**Fitch Places 4 Spanish SF Transactions on RWN Due to Counterparty Risk** Ratings  
18 Nov 2011 2:35 AM (EST)

Fitch Ratings-Madrid/London-18 November 2011: Fitch Ratings has placed seven tranches of four Spanish structured finance (SF) transactions on Rating Watch Negative (RWN) as follows:

Bancaja 13, FTA, notes (ISIN ES0312847009): 'A-sf'; Placed on RWN  
IM Cajamar Empresas 3, FTA, notes (ISIN ES0347544001): 'AAAsf'; Placed on RWN  
IM Cajamar 5, FTA, notes (ISIN ES0347566004): 'AAAsf'; Placed on RWN  
IM Cajamar 5, FTA, notes (ISIN ES0347566012): 'AAAsf'; Placed on RWN  
IM Cajamar 5, FTA, notes (ISIN ES0347566020): 'Asf'; Placed on RWN  
IM Cajamar 6, FTA, notes (ISIN ES0347559009): 'AAAsf'; Placed on RWN  
IM Cajamar 6, FTA, notes (ISIN ES0347559017): 'Asf'; Placed on RWN

The rating actions reflect the transactions' exposure to Banco Popular Espanol (BPE; 'BBB+/'RWN/'F2') and Cajamar Caja Rural, Sociedad Cooperativa de Credito's (Cajamar; 'BBB+/'Negative/'F2'), as remedial actions have not been fully implemented following their respective downgrades (see 'Fitch Takes Rating Actions on Major Spanish Banks Following Sovereign Downgrade' dated 11 October 2011, and 'Fitch Rates Spain's Grupo Cooperativo Cajamar 'BBB+'; Downgrades Cajamar to 'BBB+/'Negative ' dated 07 October 2011 at [www.fitchratings.com](http://www.fitchratings.com)).

BPE acts as bank account provider to Bancaja 13 FTA which has a senior note rated 'A-sf'. Under Fitch's SF counterparty criteria, the minimum rating threshold is 'BBB+/'F2' with no RWN status to support SF notes rated at or below 'A+s'.

Cajamar acts as swap provider and swap collateralisation agent, and BPE acts as swap collateralisation account provider to IM Cajamar Empresas 3 FTA, IM Cajamar 5 FTA and IM Cajamar 6 FTA. The senior notes of these transactions are rated in the 'AAAsf' and 'AAAsf' categories. Under Fitch's SF counterparty criteria, the minimum rating threshold is 'A/'F1' to support SF note ratings at the 'AAAsf' category and above.

The agency's understanding of the transaction documents is that remedial actions should have been implemented by now to adequately mitigate the counterparty exposures. For exposures that cannot be addressed by collateralisation (eg issuer account banks), Fitch's criteria envisages remedial action being completed within 30 calendar days of the downgrade trigger event. Resolution of the RWN will depend upon the implementation of appropriate remedial action, which could potentially lead to the affirmation of the notes. Failure to take such action could result in material downgrades, particularly for the senior notes of the capital structures. Fitch expects to resolve the RWN within four weeks.

Fitch has closely monitored the implementation of remedial actions on the entire inventory of affected transactions (see "Fitch Determining Spanish Structured Finance Counterparty Exposure to Cajamar Rating" dated 13 October 2011), and has identified cases where such actions have been fully completed. In particular, TDA Cajamar 2 FTA and IM Cajamar Empresas 1 FTA have mitigated their exposure to Cajamar as reinvestment account provider.

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Additional information is available at [www.fitchratings.com](http://www.fitchratings.com). The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

Sources of information: This action took into account information provided by the following SPV management companies in Spain: Europea de Titulizacion SA SGFT and InterMoney Titulizacion SGFT SA

Applicable criteria, 'Counterparty Criteria for Structured Finance Transactions' and 'Counterparty Criteria for Structured Finance Transactions: Derivative Addendum' dated 14 March 2011

**Applicable Criteria and Related Research:**

Counterparty Criteria for Structured Finance Transactions

Counterparty Criteria for Structured Finance Transactions: Derivative Addendum

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