



Fitch: No Immediate Rating Impact on SF Deals from Caja Madrid Rating Action

23 Sep 2010 10:00 AM (EDT)

Fitch Ratings-London/Madrid-23 September 2010: Fitch Ratings says that the placing of Caja de Ahorros y Monte de Piedad de Madrid's (Caja Madrid) Long and Short-term Issuer Default Ratings (IDRs) of 'A' and 'F1' respectively on Rating Watch Negative (RWN) will not result in any immediate rating impact for Fitch-rated structured finance transactions exposed to the bank.

Under Fitch's Structured Finance (SF) Counterparty Criteria entities rated 'A'/F1' on RWN are not eligible as counterparties in SF deals supporting notes rated AA- or higher. Transaction documents on the listed deals, however, do not consider a 'A'/F1' in RWN to constitute a breach of rating triggers. As a result, Caja Madrid and the respective transactions' management companies (Gestoras) are under no contractual obligation to take any remedial action. In the event that no remedial action is undertaken the agency will analyse the impact of this ineligibility on the rated notes.

Fitch has requested Caja Madrid to inform the agency of any intended remedial actions in event that Caja Madrid is downgraded below 'A'/F1' upon resolution of the RWN. Fitch will review any proposed remedial actions by Caja Madrid and expects to comment again upon resolution of the RWN action.

Fitch placed Caja Madrid's IDRs on RWN on 16 September 2010 (see 'Fitch Places Caja Madrid, Bancaja and Caixa Laietana on Rating Watch on Integration Plans' on www.fitchratings.com). This rating action follows the approval of an integration contract by the General Assembly of Caja Madrid to form part of a group with cross-guarantee mechanisms through an Institutional Protection Scheme (SIP). The RWN on Caja Madrid reflects the challenges associated with the merger process, including high concentration risks, muted economic prospects for the Spanish economy and that it is integrating with weaker cajas.

Deals in which Caja Madrid acts as a counterparty include:

Account bank

Cedulas TDA 2, FTA

Cedulas TDA 3, FTA

Cedulas TDA 5, FTA

Cedulas TDA 6, FTA

Cedulas TDA 7, FTA

Cedulas TDA 13, FTA

Cedulas TDA 18, FTA

AyT Bonos Tesoreria II, FTA

TDA CCM Consumo, FTA

Account bank and liquidity facility provider

Programa Cedulas TDA, Series A1

Programa Cedulas TDA, Series A3

Programa Cedulas TDA, Series A4

Programa Cedulas TDA, Series A5

Programa Cedulas TDA, Series A6

Cedulas TDA 14, FTA

Account bank and swap provider

Madrid RMBS I, FTA

Madrid RMBS II, FTA

Madrid RMBS III, FTA

Account bank and guarantee provider

Bancaja 9, FTA

VAL Bancaja 1, FTA,

FTPYME Bancaja 4, FTA,

Swap provider

AyT FTPYME II, FTA

Guarantee provider

Consumo Bancaja 1, FTA

Bancaja 3, FTA

Bancaja 4, FTH

Bancaja 5, FTA

Bancaja 6, FTA

Bancaja 7, FTA

Bancaja 8, FTA

MBS Bancaja 1, FTA

MBS Bancaja 2, FTA

MBS Bancaja 3, FTA

MBS Bancaja 4, FTA

FTPYME Bancaja 2, FTA

FTPYME Bancaja 3, FTA

PYME Bancaja 5, FTA

CM Bancaja 1, FTA

MBS Bancaja 7, FTA

Contact:

Alvaro Gil

Director

+34 91 702 5777

Fitch Ratings Espana SAU

General Castanos, 11, 1

28004 Madrid, Spain

Jeffery Cromartie

Senior Director

+44 (0) 207 664 0072

Jeremy Carter

Managing Director

+44 (0) 207 682 7522

Media Relations: Julian Dennison, London, Tel: +44 020 7682 7480, Email:

julian.dennison@fitchratings.com.

Additional information is available at www.fitchratings.com,

Applicable criteria, 'EMEA Consumer ABS Rating Criteria', dated 01 September 2009;

'Rating Criteria for Multi-Issuer Cédulas Hipotecarias', dated 11 December 2009; 'EMEA

Residential Mortgage Loss Criteria Addendum - Spain', dated 23 February 2010; 'Rating

Criteria for European Granular Corporate Balance-Sheet Securitisations (SME CLOs)',

dated 11 July 2009; 'Counterparty Criteria for Structured Finance Transactions', dated 22

October 2009, are available at www.fitchratings.com.

Applicable Criteria and Related Research:

[EMEA Consumer ABS Rating Criteria](#)

[Rating Criteria for Multi-Issuer Cédulas Hipotecarias](#)

[EMEA Residential Mortgage Loss Criteria Addendum - Spain](#)

[Rating Criteria for European Granular Corporate Balance-Sheet Securitisations \(SME CLOs\) \(Europe CDOs\)](#)

[Counterparty Criteria for Structured Finance Transactions](#)

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK:

[HTTP://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](http://fitchratings.com/understandingcreditratings). IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEBSITE 'WWW.FITCHRATINGS.COM'. PUBLISHED RATINGS, CRITERIA AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE 'CODE OF CONDUCT' SECTION OF THIS SITE.