

**GC FTGENCAT SABADELL 1,
ASSET SECURITISATION FUND**

**SECURITISATION BOND ISSUE
500,000,000 EUROS**

Series A(S)	128,900,000 euros	AAA
Series A(G)*	345,600,000 euros	AAA
Series B	19,800,000 euros	A
Series C	5,700,000 euros	BBB

*Series A(G) Bonds warranted by the Generalitat's Guarantee of Catalonia

**BACKED BY CREDIT RIGHTS DERIVED FROM FINANCIAL LEASING AND
ADMINISTERED BY**

Banco de Sabadell, S.A.



MANAGING ENTITIES

Banco de Sabadell, S.A. Société Générale, Branch office in Spain



UNDERWRITING AND PLACEMENT ENTITIES:

Banco de Sabadell, S.A. Société Générale, Branch office in Spain

PAYMENT AGENT

Banco de Sabadell, S.A.

FUND FORMED AND ADMINISTERED BY

GestiCaixa, S.G.F.T., S.A.

Prospectus registered in the Registers of the National Securities Market
Commission

TABLE OF CONTENTS

RISK FACTORS.....	4
I. RISKS DERIVED FROM THE LEGAL NATURE AND ACTIVITY OF THE ISSUER.....	5
II. RISKS DERIVED FROM THE SECURITIES.....	8
III. RISKS DERIVED FROM THE ASSETS THAT ENDORSE THE ISSUE.....	9
SECURITISATION BOND REGISTRATION DOCUMENT	11
1. RESPONSIBLE PERSONS	12
1.1 PERSONS RESPONSIBLE FOR THE INFORMATION INCLUDED IN THE REGISTRATION DOCUMENT.....	12
1.2 DECLARATION OF THE PERSONS RESPONSIBLE FOR THE CONTENT OF THE REGISTRATION DOCUMENT.....	12
2. ACCOUNT AUDITORS	12
2.1 FUND AUDITORS.....	12
2.2 ACCOUNTING CRITERIA USED BY THE FUND	13
3. RISK FACTORS.....	14
4. INFORMATION ABOUT THE ISSUER.....	14
4.1 DECLARATION THAT THE ISSUER HAS BEEN FORMED AS A SECURITISATION FUND.....	14
4.2 LEGAL AND PROFESSIONAL NAME OF THE ISSUER	14
4.3 PLACE OF REGISTRATION OF THE ISSUER AND REGISTRATION NUMBER ..	14
4.4 FORMATION DATE AND PERIOD OF ACTIVITY OF THE ISSUER	14
4.5 REGISTERED ADDRESS, LEGAL PERSONALITY AND LEGISLATION APPLICABLE TO THE ISSUER.	21
4.6 CAPITAL AUTHORISED AND ISSUED BY THE ISSUER.	23
5. DESCRIPTION OF THE COMPANY.....	23
5.1 BRIEF DESCRIPTION OF THE MAIN ACTIVITIES OF THE ISSUER	23
5.2 GENERAL DESCRIPTION OF THE PARTIES OF THE SECURITISATION PROGRAMME.....	24
6. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES	28
6.1 FORMATION AND RECORDING IN THE COMPANIES REGISTRY.....	28
6.2 ACCOUNT AUDITING.	29
6.3 MAIN ACTIVITIES.....	29
6.4 SHARE CAPITAL AND OWN RESOURCES.....	31
6.5 EXISTENCE OR NOT OF SHARES IN OTHER COMPANIES.	31
6.6 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES.	31
6.7 MAIN ACTIVITIES OF THE PERSONS CITED IN THE PRECEDING SECTION 6.6 PERFORMED OUTSIDE OF THE FUND MANAGER, IF THEY ARE IMPORTANT WITH RESPECT TO THE FUND.....	32
6.8 LENDERS OF THE FUND MANAGER BY MORE THAN 10 PERCENT.	32
6.9 LITIGATION INVOLVING THE FUND MANAGER.	32
7. MAIN SHAREHOLDERS.....	33

7.1	DECLARATION ABOUT THE DIRECT OR INDIRECT OWNERSHIP OF THE FUND MANAGER OR IF IT IS UNDER CONTROL	33
8.	FINANCIAL INFORMATION PERTAINING TO THE ASSETS AND RESPONSIBILITIES OF THE ISSUER, THE FINANCIAL POSITION AND PROFITS AND LOSSES.....	33
8.1	DECLARATION ABOUT THE START OF OPERATIONS AND FINANCIAL STATEMENTS OF THE ISSUER PRIOR TO THE DATE OF THE REGISTRATION DOCUMENT.	33
8.2	HISTORICAL FINANCIAL INFORMATION WHEN AN ISSUER MAY HAVE INITIATED OPERATIONS AND FINANCIAL STATEMENTS HAVE BEEN MADE	34
8.3	HISTORICAL FINANCIAL INFORMATION FOR ISSUES OF SECURITIES WITH AN INDIVIDUAL DENOMINATION THAT IS EQUAL TO OR GREATER THAN 50,000 EUROS.....	34
8.4	COURT AND ARBITRATION PROCEEDINGS	34
8.5	CONSIDERABLE ADVERSE CHANGE IN THE FINANCIAL POSITION OF THE ISSUER.....	34
9.	INFORMATION FROM THIRD PARTIES, DECLARATIONS BY EXPERTS AND DECLARATIONS OF INTEREST	34
9.1	DECLARATION OR REPORT ATTRIBUTED TO A PERSON IN THE CAPACITY OF AN EXPERT.....	34
10.	DOCUMENTS FOR CONSULTATION	35
PROSPECTUS SCHEDULE		37
1 .	RESPONSIBLE PERSONS	38
2.	RISK FACTORS OF THE SECURITIES.....	38
3.	BASIC INFORMATION	39
4	INFORMATION PERTAINING TO THE SECURITIES THAT ARE GOING TO BE OFFERED AND ADMITTED TO TRADING.....	41
5.	RESOLUTIONS OF ADMISSION TO TRADING AND NEGOTIATION.....	80
6.	EXPENSES OF THE OFFER AND OF THE ADMISSION TO TRADING	84
7.	ADDITIONAL INFORMATION	85
SUPPLEMENTAL ADDENDUM TO THE PROSPECTUS SCHEDULE		89
1.	SECURITIES.....	90
2.	UNDERLYING ASSETS	90
3.	STRUCTURE AND TREASURY	116
4.	POST ISSUE INFORMATION.....	187
GLOSSARY OF DEFINITIONS.....		194

RISK FACTORS

This document constitutes an informative prospectus (hereinafter, indistinctly, the "*Informative Prospectus*" or the "*Prospectus*") of the asset securitisation fund GC FTGENCAT SABADELL 1, F.T.A. (hereinafter the "*Fund*") approved and registered with the National Securities Market Commission, pursuant to the provisions in EC Regulation number 809/2004 of the Commission, of 29 April 2004 (hereinafter, "*Regulation 809/2004*"), which includes:

1. A description of the main risk factors linked to the issue, to the securities and to the assets that endorse the issue (hereinafter, the "*Risk Factors*");
2. A registration document of securitisation securities, prepared in accordance with the scheme provided for in Appendix VII of Regulation 809/2004 (hereinafter, the "*Registration Document*");
3. A prospectus schedule, prepared in accordance with the scheme provided for in Appendix XII of Regulation 809/2004 (hereinafter, the "*Prospectus Schedule*"); and
4. A supplemental addendum to the Prospectus Schedule prepared in accordance with the addendum provided for in Appendix VII of Regulation 809/2004 (hereinafter, the "*Supplemental Addendum*").

RISK FACTORS

I. RISKS DERIVED FROM THE LEGAL NATURE AND ACTIVITY OF THE ISSUER

a) Nature of the Fund and obligations of the Fund Manager.

The Fund shall constitute a separate pool of assets lacking legal personality, the nature of which shall be open, so that additional assets may be added after the Formation Date, pursuant to Article 4 of Royal Decree 926/1998. The Fund shall be managed by a fund manager. The Fund will only respond to its obligations to its creditors with its pool of property.

The Fund Manager will perform those functions for the Fund assigned to it in Royal Decree 926/1998, as well as defend the interests of the Bondholders as the

manager of the businesses of third parties, and there is no bondholder syndicate. Thus, the capacity to defend the interest of the Bondholders depends on the means of the Fund Manager.

b) Mandatory Replacement of the Fund Manager

Pursuant to Article 19 of Royal Decree 926/1998, when a Fund Manager has been declared in bankruptcy, it shall proceed to find a fund manager to replace it. In this case, whenever four months have passed since the determining event of the substitution and a new Fund Manager has not been found that is willing to undertake the management, then the Fund will be settled early and the securities issued against the Fund will be amortised, in accordance with the provisions in the Deed of Formation and this Prospectus.

c) Limitation of actions against the Fund Manager.

The Bondholders and all other ordinary creditors of the Fund will not be entitled to any action against the Fund Manager, except for the breach of its duties or the failure to observe the provisions set forth in the Deed of Formation and in this Informative Prospectus.

d) Applicability of Bankruptcy Law.

In the event of the bankruptcy of Banco de Sabadell, S.A. as the Assignor of the Credit Rights, the assets belonging to the Fund, except for money due to its nature as a consumable good, which existed in the pool of property of Banco de Sabadell, S.A. at the time of bankruptcy would be the domain of the Fund and would become available to it under the terms of Articles 80 and 81 of the Bankruptcy Act 22/2003, of 9 July (hereinafter, the "*Bankruptcy Act*").

The aforementioned notwithstanding, both the Informative Prospectus and the Deed of Formation provide certain mechanisms for alleviating the aforementioned effects related to money, due to its nature as consumable good.

In order to mitigate the consequences that, for these purposes, a bankruptcy declaration by the Assignor could have on the rights of the Fund, and in particular for the purpose of Article 1527 of the Civil Code, it has been set forth in

section 3.3.1. and under heading 10 of section 3.7.2.1. of the Supplemental Addendum that *“in the event of bankruptcy or indications of the same, of intervention by the Bank of Spain, of settlement or replacement of the Administrator or because the Fund Manager deems it to be reasonably justified, the latter may require that the Administrator notify the Debtors of the transmission to the Fund of the Credit Rights pending amortisation, and notify that the payments derived from the same shall only be fully discharged if they are made in the Treasury Account opened on behalf of the Fund”*.

Likewise, and for the same effects of alleviating the stated risk, certain mechanisms have been provided, which are described in sections 3.4.4.1 (Treasury Account), 3.4.4.2. (Principal Account), 3.4.5 (Collection by the Fund of payments pertaining to the assets) and 3.7.2.1 (Regime and ordinary procedures of administration and management of the Credit Rights) of the Supplemental Addendum.

In the event of the bankruptcy of the Fund Manager, the latter shall be replaced by another fund manager pursuant to the provisions in Article 19 of Royal Decree 926/1998.

The structure of the asset securitisation operation in question does not allow, except for a breach by the parties, that there be amounts in cash that could be integrated into the total assets of the Fund Manager, given that the amounts corresponding to income of the Fund must be deposited, under the terms provided for in this Prospectus, into the accounts opened on behalf of the Fund by the Fund Manager (which takes part in opening said accounts, not as the simple appointed agent, but as the legal representative of the same), wherefore the Fund shall be entitled to the right of separation in this regard, under the terms provided for in Articles 80 and 81 of the Bankruptcy Act.

The aforementioned notwithstanding, the bankruptcy of any of the subjects taking part (whether Banco de Sabadell, S.A., the Fund Manager or any other counterpart entity) could affect their contractual relationships with the Fund.

II. RISKS DERIVED FROM THE SECURITIES

a) Liquidity

There is no guarantee that the bonds shall produce trading of a minimum volume or frequency on the market.

There is no obligation by any entity to participate in secondary trading, providing liquidity to the Bonds by offering a consideration.

Moreover, in no event will the Fund be permitted to repurchase the Bonds from their holders, although they can be amortised in advance in their entirety in the case of the Early Settlement of the Fund, under the terms set forth in section 4.4.3 of the Registration Document.

b) Return.

The calculation of the return (Internal Rate of Return or IRR) of the Bonds of each Series, which is included in section 4.10 of the Prospectus Schedule, is subject to the future interest rates of the market, given the variable nature of the Nominal Interest Rate of each Series.

c) Duration

The calculation of the average life and the duration of the Bonds of each Series, which is included in section 4.10 of the Prospectus Schedule, is subject, among other things, to the hypothesis of early redemption rates and arrears of the Credit Rights that may not prove true. Satisfaction of a cause of early redemption of the Credit Rights is influenced by a variety of economic and social factors. These include market interest rates, the financial situation of the Debtors, and the general level of economic activity, all of which make predictions difficult.

d) Default interest

In no event shall the existence of arrears in the payment of interest or the redemption of the principal to the Bondholders give rise to the accrual of default interest in their favour.

e) Non-confirmation of the ratings.

The lack of confirmation of the provisional ratings granted to the Bonds by the Ratings Agency before the start of the Subscription Period shall constitute an event of termination of the formation of the Fund and of the Bond Issue.

III. RISKS DERIVED FROM THE ASSETS THAT ENDORSE THE ISSUE.

a) Risk of non-payment of the Credit Rights

The holders of the Bonds issued against the Fund run the risk of non-payment of the Credit Rights pooled into the Fund. Nevertheless, improved credit measures have been arranged.

Banco de Sabadell, S.A., as the Assignor, does not accept any liability for default by the Debtors, whether of the principal or any other amount that they may owe by virtue of the Credit Rights. Banco de Sabadell, S.A., in accordance with Article 348 of the Commercial Code, will answer to the Fund exclusively for the existence and legitimacy of the Credit Rights, as well as for the personality whereby it makes the assignment.

Banco de Sabadell, S.A. will in no other way assume the liability of directly or indirectly guarantying the success of the operation, or provide guaranties or endorsements, or enter into repurchase agreements for the Credit Rights, except for the commitments included in section 2.2.9. and 3.7.2. of the Supplemental Addendum pertaining to the substitution of the Credit Rights that may not comply with the declarations contained in section 2.2.8. of the Supplemental Addendum.

The Bonds issued by the Fund do not represent or constitute any obligation of Banco de Sabadell, S.A. or of the Fund Manager. Except for the Generalitat's Guarantee, whose terms are described in section 2.2 of the Prospectus Schedule and section 3.4.7.2. of the Supplemental Addendum, there are no other guarantees given by any public or private entity, hereby including Banco de

Sabadell, S.A., the Fund Manager and any other company affiliated with or partially owned by any of the aforementioned.

b) Limited protection.

Investment in the Bonds may be affected by, among other things, a deterioration in the global economic conditions that has a negative effect on the Credit Rights that support the issue of the Bonds.

In the event that defaults of the Credit Rights reach high levels, the limited protection against losses in the portfolio of Credit Rights could be reduced or even depleted entirely, which protection the Bonds of each Series have separately as a result of the existence of the improved credit operations described in section 3.4.2 of the Supplemental Addendum.

The degree of subordination in the payment of interest and redemption of the principal between the Bonds of different Series, which is derived from the Payment Priority Order and the Settlement Payment Priority Order of the Fund, constitutes a differentiated measure of protection between the different Classes, respectively.

c) Risk of early redemption of the Credit Rights

The Credit Rights pooled into the Fund will be amortised early when the Debtors may make early payment of part of the pending capital of the Credit Rights pending not yet due.

The risk of early redemption shall be transferred quarterly, on each Payment Date, to the Bondholders by means of the amortisation of the same in accordance with the provisions in the Distribution Rules of the Available Funds included in section 4.9.4. of the Prospectus Schedule.

SECURITISATION BOND REGISTRATION DOCUMENT

(Annex VII to EC Regulation number 809/2004)

1. RESPONSIBLE PERSONS

1.1 PERSONS RESPONSIBLE FOR THE INFORMATION INCLUDED IN THE REGISTRATION DOCUMENT

- 1.1.1. Mr. Xavier Jaumandreu Patxot, on behalf of and representing GESTICAIXA, SGFT, S.A., (hereinafter, the “*Fund Manager*”), assumes the responsibility for the content of this registration document (hereinafter, the “*Registration Document*”).

Mr. Xavier Jaumandreu Patxot acts in his capacity as Director General of the Fund Manager by virtue of the faculties conferred by the Board of Directors at its meeting on 29 June 2001 and expressly for the formation of the Fund by virtue of the powers awarded to him by the Board at its meeting on 21 November 2005.

1.2 DECLARATION OF THE PERSONS RESPONSIBLE FOR THE CONTENT OF THE REGISTRATION DOCUMENT.

- 1.1.2. Mr. Xavier Jaumandreu Patxot hereby declares that the information contained in this Registration Document is, to the best of his knowledge and after executing the reasonable diligence to ensure that it is as stated, compliant with the facts and does not suffer from any omission that could affect the content.

2. ACCOUNT AUDITORS

2.1 FUND AUDITORS

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

During the length of the operations, the annual accounts of the Fund will be the object of annual verification and revisions by account auditors. The annual accounts of the Fund and the audit report shall be deposited in the Companies Registry and in the CNMV.

The Board of Directors of the Fund Manager, in its meeting on 21 November 2005, has designated Deloitte, S.L., with its registered address at Plaza Pablo Ruiz Picasso, num. 1, 28020 Madrid, Spain, holder of Tax ID number B-79104469, recorded in the Companies Registry of Madrid, Volume 13,650, Sheet 188, Section 8, Page M-54414, and likewise recorded in the R.O.A.C. with number S-0692 as auditors of the Fund for a period of 3 years. The Board of Directors of the Fund Manager shall inform the CNMV, the Ratings Agency and the Bondholders of any change with regard to the designation of the auditors.

2.2 ACCOUNTING CRITERIA USED BY THE FUND

The collections and payments will be recognised by the Fund according to the maturity criteria, that is, based on the actual flow that the said collections and payments represent, regardless of the moment on which collection or payment take place.

The formation expenses of the Fund and the expenses from issuing the bonds (hereinafter, the “*Bonds*”) will be financed through a subordinated commercial loan (hereinafter, the “*Loan for Initial Expenses*”), which will be amortised quarterly by the amount that said formation expenses would be amortised in accordance with the official Fund accounting, and in any event over a maximum term of five (5) years from the formation of the Fund and according to accounting and tax legislation in force at any time, as long as the Fund has sufficient liquidity in accordance with the Payment Priority Order established in section 3.4.6 of the Supplemental Addendum.

The economic year of the Fund will coincide with the calendar year. However, and as an exception, the first financial year will start on the Fund Formation Date, and the last financial year will end on the Fund extinction date.

3. RISK FACTORS

The risk factors linked to the securities are described in the previous section, “Risk Factors”, of this Prospectus.

4. INFORMATION ABOUT THE ISSUER

4.1 DECLARATION THAT THE ISSUER HAS BEEN FORMED AS A SECURITISATION FUND.

The Issuer is an asset securitisation fund that will be formed pursuant to Spanish legislation.

4.2 LEGAL AND PROFESSIONAL NAME OF THE ISSUER

The name of the Fund is "GC FTGENCAT SABADELL 1, Fondo de Titulización de Activos".

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 recorded in the Official Registers of the CNMV on 1 December 2005.

Mercantile Registry

It is hereby made known that neither the formation of the Fund nor the Bonds that are issued against its assets shall be the object of registration in the Companies Registry, in accordance with the discretionary power contained in Article 5.4 of Royal Decree 926/1998.

4.4 FORMATION DATE AND PERIOD OF ACTIVITY OF THE ISSUER

4.4.1 Fund Formation Date.

The Fund Manager, together with BANCO DE SABADELL, S.A. (hereinafter, indistinctly, “*Banco de Sabadell*” or the “*Assignor*”) as the

Assignor of the Credit Rights derived from leasing operations of both real and personal property, shall proceed on 02.12.05 to execute the public deed of formation of GC FTGENCAT SABADELL 1, FONDO DE TITULIZACIÓN DE ACTIVOS [ASSET SECURITISATION FUND], with the assignment by Banco de Sabadell, S.A. to the Fund of the initial Credit Rights and with the issue of Securitisation Bonds by the Fund, under the terms provided for in Article 6 of Royal Decree 926/1998 (hereinafter, the *“Deed of Formation”*).

The Fund Manager hereby states that the content of the Deed of Formation shall coincide with the preliminary draft of the Deed of Formation that it delivered to the CNMV, and in no case do the terms of the Deed of Formation contradict, modify, alter or invalidate the provisions contained in this Informative Prospectus.

The Deed of Formation may not be altered, barring exceptional circumstances, as long as it may be allowed in accordance with legislation in force and in accordance with the conditions that may be set forth by rules and regulations. Any such actions shall be notified in advance by the Managing Company to the CNMV or another competent administrative body or the Rating Agency, and authorisation shall be obtained in advance where necessary, and such actions shall not jeopardise the rights of the bondholders or Bonds ratings issued by the Rating Agency. A modification of the Deed of Formation shall be communicated by the Fund Manager to the CNMV and to the Ratings Agency. The Deed of Formation may also be the possible object of rectification at the request of the CNMV.

4.4.2 Activity period of the Fund

The activity of the Fund shall start on the day that the Deed of Formation is executed and shall end on the Statutory Maturity Date of the Fund.

The duration of the Fund shall be until 28 November 2023 or, if this date were not a Business Day, the following Business Day, unless early settlement were to have occurred previously, as considered in section 4.4.3

of this Registration Document, or any of the events considered in section 4.4.4 of this Registration Document were to have taken place.

4.4.3. Early settlement of the Fund

The Management Company, with prior communication to the CNMV, will be authorised to proceed with the Early settlement of the Fund and with it, to the Early redemption and extinction of the Fund on a Payment Date for the entirety of the Bonds Issue in any of the following circumstances (**“Circumstances of Early settlement”**):

Events of Early settlement

- (i) Whenever the amount of the Outstanding Balance of the Credit Rights is less than 10 percent of the Initial Outstanding Balance of the Credit Rights, pursuant to the authorisation set forth in Article 5.3 of Law 19/1992, and provided that the sale of the Credit Rights pending amortisation, together with the balance that may exist at that time in the treasury account and, if applicable, the Principal Account allow the full cancellation of the pending obligations with the Bondholders while respecting the prior payments to the latter whose Priority Order may be preferential, and the necessary authorisations to do so have been obtained from the competent authorities.
- (ii) Whenever a substantial alteration may occur or the financial balance of the Fund required by article 5.6 of Law 19/1992 may be permanently distorted due to any event or circumstance unrelated to or not due to the development of the Fund itself. This includes circumstances such as changes to regulations or supplementary legislative developments, the establishment of withholding obligations, or other situations that could permanently affect the financial equilibrium of the Fund. In this event and after informing the CNMV, the Fund Manager may proceed with the orderly settlement of the Fund pursuant to the rules set forth in the Deed of Formation and in this Registration Document.

- (iii) Necessarily, in the event that the Fund Manager is declared in suspension of payments or bankruptcy, and once the statutory period established for that purpose has elapsed or, in default thereof after four months, without having designated a new Fund Manager, in accordance with the provisions in section 3.7.1.3 of the Supplemental Addendum.
- (iv) Whenever non-payment may occur and which may be indicative of a serious and permanent lack of equilibrium regarding any of the Bonds issued or regarding any unsubordinated credit, or it may be foreseeable that it is going to occur.
- (v) When thirty (30) months have transpired from the last maturity date of the Credit Rights, even though there may still be amounts due and pending collection. Nevertheless, the Statutory Maturity Date of the Fund shall be when thirty-six (36) months have passed since the date of the last due date of the Credit Rights.

For the purposes of this section, the Outstanding Balance of the Bonds on the date of the Early Settlement of the Fund will be understood as a payment obligation derived from the Bonds plus the accrued interest outstanding as of that date, less any tax retention, which shall for all legal purposes be considered due and payable on that date.

For said Early Settlement to proceed, the following conditions must be met:

- a) The necessary authorisations to do so had been obtained, if applicable, from the competent administrative authorities or organisations.
- b) The Bondholders are notified, in the manner provided for in the following paragraph and with advance notice of fifteen (15) Business Days, of the resolution by the Fund Manager to proceed with the early settlement of the Fund. The said notification, which

must have been previously reported to the CNMV by publication of the prescribed relevant event pursuant to the provisions in Article 82 of the Securities Market Act and reported to the Rating Agency, shall likewise be published in the Official Daily Gazette of the Barcelona Stock Exchange or through any other means of publication that is generally accepted by the market and that guarantees adequate diffusion of the information in time and content. This communication shall contain the description (i) of the circumstance or circumstances for proceeding with the Early Settlement of the Fund, (ii) of the procedures for carrying it out, and (iii) of the manner to proceed in order to attend to and cancel the payment obligations derived from the Bonds in accordance with the Payment Priority Order provided for in section 3.4.6 of the Supplemental Addendum.

In order for the Fund, through the Fund Manager, to carry out the early settlement of the Fund and the early maturity of the Bond Issue, the Fund Manager, on behalf of and representing the Fund, will proceed to:

- (i) Sell the Credit Rights for a price no lower than the amounts of the principal plus the unpaid accrued interest of the Financial Leases pending amortisation.
- (ii) Cancel those contracts that are not necessary for the settlement process of the Fund.

In the event that the preceding actions were insufficient and due to the existence of remaining Credit Rights or other assets in the Fund, the Fund Manager shall proceed to sell them, wherefore it shall request an offer from at least five (5) of the entities that are the most active in purchasing and selling these assets and who, in its opinion, may give market value. The Fund Manager shall be bound to accept the best offer received for the assets up for sale which, in its opinion, covers the market value of the asset in question. For the determination of the market value, the Fund

Manager will be able to obtain the valuation reports that it deems necessary.

The Assignor shall be entitled to the right to first refusal, wherefore it may preferentially acquire from third parties the Credit Rights or other assets coming from them that may remain in the assets of the Fund. To this end, the Fund Manager shall send the Assignor a list of the assets and of the offers received from third parties. The Assignor may make use of the aforementioned right with respect to all the assets offered by the Fund Manager within ten (10) Business Days following the receipt of the aforementioned notification and as long as its offer is at least equal to the best one made by third-parties.

The preceding right to first refusal does not, in any event, involve a pact or declaration of repurchase of the Credit Rights granted by the Assignor. In order to exercise the said right to first refusal, the Assignor shall have a term of ten (10) Business Days as from the date when the Fund Manager notifies him of the conditions for disposing of the Credit Rights.

The Fund Manager, having made the reserve for the initial extinction expenses, shall immediately apply all the amounts that it may have obtained from the disposal of the Credit Rights of the Fund to payment of the various concepts in the manner, amount and Settlement Payment Priority Order described in section 3.4.6 of the Supplemental Addendum.

4.4.4 Extinction of the Fund.

The Fund will extinguish in any event as a consequence of the following circumstances:

- (i) Through the total redemption of the Credit Rights that form a part thereof.
- (ii) When all of the Bonds issued are fully amortised.

- (iii) Due to the end of the Early settlement procedure.
- (iv) In any event, on the date after which 36 months have elapsed since the final maturity date of the Credit Rights, even though there may still be amounts due and pending collection, that is, on the Statutory Maturity Date of the Fund.
- (v) The Fund shall likewise be cancelled if the Ratings Agency does not confirm the ratings tentatively assigned before the start of the Subscription Period, or in the event of a circumstance of force majeure before the beginning of the Subscription Period and in accordance with Article 1505 of the Civil Code, pursuant to the provisions in the Management, Underwriting and Placement Agreement for the Bond Issue ("*Management, Underwriting and Placement Agreement for the Bond Issue*") In these cases, the Fund Manager will dissolve the Fund Formation, the assignment of Credit Rights and the Bond Issue.

The extinction of the Fund shall be reported to the CNMV as soon as it is confirmed and shall be made public through the procedure described in this section. Within one month of the occurrence of the cause of termination, the Fund Manager shall execute a Notarised Certificate, thereby declaring that the obligations of the Fund are settled and terminated and that the Fund is extinguished. The aforementioned notwithstanding, the Fund Manager shall take care of the enforceable expenses of the Fund Formation, which are estimated in section 6 of the Prospectus Schedule, using the Loan for Initial Expenses, the contract for which will not be terminated but will be cancelled once the aforementioned obligations are satisfied, and reimbursement of the principal is subordinated to the fulfilment of all other obligations contracted by the Fund Manager in representation and on behalf of the Fund.

If, in the event of the settlement of the Fund as indicated in part 4.4.3 above, there is anything remaining once all payments due to the different

creditors have been made out of the Funds Available for Settlement in conformity with the Settlement Payment Priority Order established in part 3.4.6 of the Prospectus Schedule, it shall go to the Assignor in accordance with the conditions established by the Fund Manager.

In any event, the Fund Manager, acting on behalf of and representing the Fund, will not proceed with the extinction of the Fund and the cancellation of its recording in the corresponding administrative registries until the settlement of the remaining assets of the Fund and the distribution of the Funds Available for Settlement according to the settlement Payment Priority Order established in section 3.4.6 of the Supplemental Addendum have taken place, except for the appropriate reserve to cover the final expenses of extinction and settlement of a tax, administrative, or publication nature.

Once six (6) months have elapsed as from the settlement of the remaining assets of the Fund and the distribution of the Available Funds, the Fund Manager shall execute a Notarised Certificate declaring (i) the extinction of the Fund, as well as the causes that motivated its extinction; (ii) the procedure followed for notifying the Bondholders and the CNMV; and (iii) the distribution of the Available Funds for Settlement following the settlement Payment Priority Order; which shall be announced in a national newspaper and shall comply with all other administrative procedures that may be applicable. Said notary document will be submitted by the Fund Manager to the CNMV.

4.5 REGISTERED ADDRESS, LEGAL PERSONALITY AND LEGISLATION APPLICABLE TO THE ISSUER.

The Fund, pursuant to Article 1 of Royal Decree 926/1998, shall constitute a separate pool of assets lacking legal personality, the nature of which shall be open and renewable by the asset and closed by the liability, pursuant to Article 4 of Royal Decree 926/1998. The Fund shall be managed and represented by GestiCaixa, S.G.F.T., S.A., formed as a Fund Manager authorised for such purpose, and as a result thereof, for exercising the management and legal representation of the Fund by virtue of the provisions in Royal Decree 926/1998.

The registered address of the Fund shall be the same as the registered address of the Fund Manager, GestiCaixa, Sociedad Gestora de Fondos de Titulización, S.A., that is, Avenida Diagonal, 621 in Barcelona, Spain. The contact telephone number is 93 409 24 56.

"GC FTGENCAT SABADELL 1, Fondo de Titulización de Activos" is formed pursuant to the provisions of Resolution ECF/2186/2005, of 16 June of the Department of Economy and Finance of the Generalitat de Catalunya, which approved the conditions and documentation for obtaining the state guarantee foreseen in article 29.14 of Law 11/2004 of 27 December. GC FTGENCAT SABADELL 1, Fondo de Titulización de Activos shall be regulated by (i) this Prospectus, (ii) the Deed of Formation of the Fund, (iii) Royal Decree 926/1998 and the provisions that develop it, (iv) Law 19/1992, of 7 July, on the Regulation of Real Estate Investment Funds and Companies and Mortgage Securitisation Funds, wherever Royal Decree 926/1998 may be silent, (v) Resolution ECF/2186/2005, of 16 June, of the Department of Economy and Finance of the Generalitat de Catalunya, thereby approving the bases and documentation for obtaining the Generalitat's Guarantee that is provided for in Article 29.14 of Act 11/2004, of 27 December (hereinafter, the "*Resolution*"), (vi) Act 24/1988, of 28 July, on the Securities Market in its current version, with regard to the supervision, inspection and penalties thereof (vii) Law 44/2002, of 22 November on Financial System Reform Measures (hereinafter, "*Law 44/2002*") and (viii) all other applicable legal and regulatory provisions in force at any given time.

4.5.1 Tax regime of the Fund

This is an extract of the tax regime applicable to the Fund whereby, in accordance with that established in section 2 of article 1 of Royal Decree 926/1998, of 14 May, whereby the asset securitisation funds and the fund management companies of securitisation funds are regulated; in article 5.10 of Law 19/1992; article 7.1.h) of the Revised Text of the Corporations Tax Act, approved by Royal Legislative Decree 4/2004 of 5 March; article 20.one.18 of Law 37/1992, of 28 December, concerning Value Added Tax and article 59.k of Royal Decree 1777/2004, of 30 July, through which the Regulation of the Corporations Tax is approved, as well

as the Additional Provision 5.2 of Law 3/1994, the characteristics of the fiscal regime of the Fund are as follows:

- a) The Fund formation will be exempt from the concept of “corporate operations” referred to in the Tax on Patrimonial Transfers and Documented Legal Acts.
- b) The issue, subscription and transfer of the Notes is exempt from the Value Added Tax and the Tax on Patrimonial Transfer and Documented Legal Acts.
- c) The fund is subject to Corporate Income Tax at the rate in force at any given time, which is current set at 35%. With respect to the return on the Credit Rights or other credit rights that may constitute deposits to the Fund, there will be no obligation for retention or deposit on their account.
- d) The Fund management and deposit services of the Fund by the Fund Manager are exempt from Value Added Tax.

4.6 CAPITAL AUTHORISED AND ISSUED BY THE ISSUER.

Not applicable.

5. DESCRIPTION OF THE COMPANY

5.1 BRIEF DESCRIPTION OF THE MAIN ACTIVITIES OF THE ISSUER

The activity of the Fund consists of the acquisition of a set of Credit Rights derived from Leases owned by Banco de Sabadell, S.A. and granted to small and medium sized, non-financial enterprises and businesses that have their registered address in Catalonia (at least 80% of which are small and medium size enterprises that comply with the Recommendation of the European Commission, 2003/361/EC) and consists of the issue of Securitisation bonds designed to finance the acquisition of the Credit Rights and the allocation of the Reserve

Fund, the underwritten placement of which issue is directed at qualified investors.

All income from the amounts of Credit Rights that is received by the Fund will be assigned quarterly, on each Payment Date, to the payment of interest and redemption of the principal of the Securitisation Bonds issued pursuant to the specific conditions of each one of the series (hereinafter, the “*Series*”) into which the Bond issue is divided and in the Priority Order established for payments of the Fund.

Likewise, the Fund, represented by the Fund Manager, shall arrange a series of financial operations and services in order to consolidate the financial structure of the Fund, to increase the security or regularity of the payment of the Bonds, to cover time lags between the schedule of flows of the amounts of the Leases and the schedule of the Bonds and, in general, to make the financial transformation possible, which is being conducted within the separate pool of assets of the Fund, between the financial characteristics of the Credit Rights and the financial characteristics of each bond Series.

5.2 GENERAL DESCRIPTION OF THE PARTIES OF THE SECURITISATION PROGRAMME.

- **GESTICAIXA, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN S.A.**

GESTICAIXA is a securitisation Fund Manager incorporated in Spain, and it is recorded in the special register of the CNMV with number 7.

Tax ID number A-58481227 C.N.A.E. [*Classification of Economic Activity*] 67100

Corporate address: Avenida Diagonal, 621, 08028 Barcelona

GESTICAIXA is registered in the Companies Registry of Barcelona, Volume 34,187, Sheet 192, Page B-50,432, Entry 14.

No credit rating has been issued to the Fund Manager.

- **BANCO DE SABADELL, S.A.**

BANCO DE SABADELL, S.A. participates in this operation as the Assignor and Fund Manager. As the Managing Entity, it has directed the operations relative to the design of the financial and commercial conditions and those relative to coordinating relations with supervisory authorities, market operators, potential investors and with placement entities and underwriters.

BANCO DE SABADELL, S.A. is a bank incorporated in Spain, and it is recorded in the Special Register of Banks and Bankers of the Bank of Spain with number 0081.

Tax ID number A-08000143

C.N.A.E. [*Classification*

of Economic Activity] 65121

Corporate address: Plaça de Catalunya, 1 08021 Sabadell (Barcelona)

Central operating headquarters:

- Plaça de Catalunya, 1 08021 Sabadell (Barcelona)

- Polígono Can Sant Joan, Sena 12, 08019 Sant Cugat del Vallés (Barcelona)

Banco de Sabadell, S.A. is registered in the Companies Registry of Barcelona, Volume 20093, Sheet 1, and Page B-1561.

Ratings of the unsubordinated and non-guaranteed, short-term and long-term debt of Banco de Sabadell, S.A. assigned by ratings agencies.

Ratings	Fitch	Moody's	S&P
Short term	F-1	P-1	A1
Long term	A+	A1	A

SOCIÉTÉ GÉNÉRALE, Branch office in Spain

SOCIÉTÉ GÉNÉRALE, Branch office in Spain participates in this operation as the Managing Entity relative to coordinating relations with supervisory authorities, market operators, potential investors and with placement entities and underwriters.

SOCIÉTÉ GÉNÉRALE, its Branch office in Spain, is a bank formed in Spain and registered with the Special Register of Banks and Bankers under number 0108.

Tax ID Number: A-0011682-B

Corporate address: Torre Picasso, Plaza Pablo Ruiz Picasso, 1, 28020 Madrid

SOCIÉTÉ GÉNÉRALE, its Branch office in Spain, is registered with the Mercantile Register for Madrid, volume 10215, folio 35, sheet 18909, entry number 480.

Ratings of short and long term unsubordinated and unsecured debt of Société Générale issued by Fitch on 21 May 2003, by Moody's on 6 January 2005, and by S&P on 26 July 2005.

Ratings	Fitch	Moody's	S&P
Short term	F-1	P-1	A-1
Long term	AA-	Aa2	AA-

ERNST & YOUNG, S.L.

Tax ID Number: B-78970506 and registered in the R.O.A.C. [*Official Register of Auditors*] with number S0530.

Corporate address: plaza Pablo Ruiz Picasso - Ed Torre Picasso, 1, 28020 Madrid.

Ernst & Young, S.L. is registered in the Companies Registry of Madrid, volume 19,073, sheet 156, section 8, page 23,123.

FITCH RATINGS ESPAÑA, S.A.

Tax ID Number: A-58090655

Corporate address: calle Balmes, 89 -91 planta 7, 08008 Barcelona

Fitch Ratings España, S.A. is registered with the Mercantile Registry of Barcelona under Volume 30,413, Folio 125, Section 8, Sheet 97.779.

CUATRECASAS ABOGADOS, S.R.L.

Tax ID Number: B-59942110

Corporate address: Paseo de Gracia, 11, 08008 Barcelona

Cuatrecasas Abogados, S.R.L. is registered with the Mercantile Registry of Barcelona under Volume 37,673, Folio 30, Section 8, Sheet 23,850.

The functions of each of the above-mentioned entities are set forth in section 3.1 of the Prospectus Schedule.

Caixa d'Estalvis i Pensions de Barcelona, through Caixa Holding, S.A. holds an indirect share (from which control is held) of 96.4% of the share capital of GestiCaixa, S.G.F.T, S.A.

Likewise, Caixa d'Estalvis i Pensions de Barcelona, through Caixa Holding, S.A., has an indirect share of 14.3% of the share capital of Banco de Sabadell, S.A.

The existence of any other type of direct or indirect ownership or control between the said legal personalities that participate in the securitisation operation is not known.

6. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The administration and legal representation of the Fund corresponds to the Fund Manager, GestiCaixa, SGFT, S.A., under the terms provided for in Royal Decree 926/1998, in Law 19/1992, to the extent that Royal Decree 926/1998 may be silent and for which it may be applicable; and all other applicable legislation, as well as the terms of the Deed of Formation.

6.1. FORMATION AND RECORDING IN THE COMPANIES REGISTRY.

GestiCaixa, Sociedad Gestora de Fondos de Titulización, S.A., is a limited liability company of Spanish nationality, holder of Tax ID number A-58481227, incorporated by public deed before the Notary Public of Barcelona, Mr. Wladimiro Gutiérrez Álvarez, on 6 November 1987 under the name “Caixa 92, S.A.”, having changed its initial name to that of GestiCaixa, Compañía Gestora de Fondos de Titulización Hipotecaria, S. A. and having been transformed into a mortgage securitisation funds Fund Manager on 6 September 1993, by means of deed authorised before the Notary Public of Barcelona, Mr. Roberto Follia Camps, under number 2129 of his notarial records, and pursuant to the provisions of Article six of Law 19/1992 governing the regulation of Real Estate Investment Funds and Companies and Mortgage Securitisation Funds, by virtue of the authorisation granted in the Ministerial Order of 24 August 1994. It is registered in the Companies Registry of Barcelona, page 110,165, sheet 141, volume 9173, book 8385, 2nd section, 1st entry, and was adapted to the Limited Liability Companies Act by public deed before the Notary of Barcelona, Mr. Wladimiro Gutiérrez Álvarez, registered as the 3rd entry of page number B-50.432, sheet 143, volume 9173. On June 10, 2002, it was transformed into a Securitisation Funds Fund Manager by means of a deed authorised by the Notary of Barcelona, Mr. Joaquín Viola Tarragona, under number 424 of his protocol, in accordance with the Only Transitional Provision of Royal Decree 926/1998, of May 11, by which the assets securitisation funds and the management companies of securitisation funds are regulated, and by virtue of the authorisation of the Ministry of Economy by Ministerial Order dated May 9, 2002, having adopted as new company name that of “GestiCaixa, Compañía Gestora de Fondos de Titulización,

S.A.". The said deed has been registered in the Mercantile Registry of Barcelona, Tome 34,187, Folio 192, sheet B-50,432, Inscription 14th.

The duration of the Fund Manager is indefinite, save the concurrence of any of the dissolution causes that the legal or regulatory dispositions may establish.

6.2 ACCOUNT AUDITING.

The annual accounts of GESTICAIXA corresponding to the financial years ending on 31 December 2004, 2003 and 2002 have been audited by the firm Deloitte S.L., which is registered in the ROAC (Official Registry of Accounts Auditors) with number S0692.

There are no reservations recorded in the audit reports of the annual accounts corresponding to the 2004, 2003 and 2002 financial years.

6.3 MAIN ACTIVITIES.

The exclusive object of the Fund Manager is the formation, administration and legal representation of the assets of both the securitisation funds and the mortgage securitisation funds, as established by Royal Decree 926/1998, of May 11 which regulates the securitisation fund assets and the managers of securitisation funds.

As of 15.11.05, GESTICAIXA administers 16 securitisation funds, 9 of which are mortgage securitisation funds and 7 are asset securitisation funds.

The following table details the 16 securitisation funds that are administered, indicating their formation dates and the nominal amounts of the bonds issued against them and their outstanding balances.

Securitisation Fund In thousands of euros	Date Founded	Initial Bond Issue	Balance on 31/10/2005	Balance on 31/12/2004	Balance on 31/12/2003
FONSCAIXA HTF ,1HIPOTECARI	14/07/1999	600.000	145.629	180.285	235.408
FONSCAIXA HTF ,2HIPOTECARI	22/02/2001	600.000	248.454	303.594	371.326
FONSCAIXA HTF ,3HIPOTECARI	06/07/2001	1.500.000	840.381	970.689	1.117.799
FONSCAIXA HTF ,4HIPOTECARI	13/12/2001	600.000	347.089	386.486	450.425
FONSCAIXA HTF ,5HIPOTECARI	15/10/2002	600.000	410.906	470.311	532.693
FONSCAIXA HTF ,6HIPOTECARI	17/12/2002	600.000	417.062	474.498	536.486
FONSCAIXA HTF ,7HIPOTECARI	26/09/2003	1.250.000	984.100	1.106.912	1.250.000
FONSCAIXA HTF ,8HIPOTECARI	15/03/2005	1.000.000	944.641		
HTF ,1GC SABADELL	12 /07/2004	1.200.000	1.200.000	1.200.000	
GC FTGENCAT II, FTA	28 /03/2003	950.000	467.414	634.270	849.927
GC FTPYME PASTOR ATF ,1	28/10/2003	225.000	121.473	172.005	225.000
GC FTPYME PASTOR ATF ,2	28/10/2004	800.000	659.940	800.000	
FONCAIXA FTPYME ATF ,1	27/11/2003	600.000	600.000	600.000	600.000
GS COMPASS SPAIN ATF ,1	10/12/2004	150.000	110.085	147.462	
GC FTPYME ATF ,4SABADELL	21/10/2005	750.000.	750.000		
FONCAIXA ATF ,3FTGENCAT	15/11/2005	656.500			

6.4 SHARE CAPITAL AND OWN RESOURCES

The share capital of the Fund Manager at the moment of formation of the Fund is one million five hundred two thousand five hundred euros (€1,502,500), represented by two hundred fifty thousand (250,000) registered shares with a face value of six euros and one cent (€6.01) each.

	30/06/2005	31/12/2004	31/12/2003
Capital	1.502.500,00	1.502.500,00	1.502.500,00
Reserves	300.500,00	262.033,12	1.492.721,27
Profits	648.417,41	1.326.338,61	1.127.640,27
Dividends	0,00	-1.177.215,29	0,00
Shareholders' Equity	2.451.417,41	1.913.656,44	4.122.861,54

Classes of shares

All shares issued by the Company up to the publication date of this Registration Document are ordinary registered shares of a single class and series, and they confer identical voting and economic rights.

6.5 EXISTENCE OR NOT OF SHARES IN OTHER COMPANIES.

The Fund Manager has one share with a face value of €6.01 in the company, Caixa Corp, S.A.

6.6 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES.

The government and administration of the Fund Manager are entrusted by the by-laws to the General Shareholders Meeting and to the Board of Directors. Their competencies and faculties are those corresponding to such bodies in accordance with the Limited Liability Companies Act and Law 19/1992 of 7 July in relation to the company's object.

The Board of Directors is comprised of the following persons, all of whom with their registered professional address at Avenida Diagonal 621, 08028 Barcelona:

Chairman:	Mr. Juan San Miguel Chapulí
Directors:	Mr. Fernando Cánovas Atienza Mr. Hernán Cortés Lobato Mr. Ernest Gil Sánchez Mr. Santiago Armada Martínez Mr. Xavier Jaumandreu Patxot Mr. Josep Ramón Montserrat Miró
Secretary (non Director):	Mr. Félix López Antón
Deputy-secretary (non-member):	Mr. Roser Vilaró Vives
Director General:	Mr Xavier Jaumandreu Patxot

6.7 MAIN ACTIVITIES OF THE PERSONS CITED IN THE PRECEDING SECTION 6.6 PERFORMED OUTSIDE OF THE FUND MANAGER, IF THEY ARE IMPORTANT WITH RESPECT TO THE FUND.

All of the members of the Board of Directors with the exception of Xavier Jaumandreu Patxot, Hernán Cortés Lobato and Félix López Antón are staff members of La Caixa at this time.

The persons who sit on the Board of Directors of the Fund Manager are not holders or representatives, directly or indirectly, of any share or convertible security.

6.8 LENDERS OF THE FUND MANAGER BY MORE THAN 10 PERCENT.

There are no persons or entities who are lenders of the Fund Manager and who hold debts of more than 10%.

6.9 LITIGATION INVOLVING THE FUND MANAGER.

On the registration date of this Registration Document, there are no lawsuits or controversies that may significantly affect the economic-financial situation of the Fund Manager or its future capacity to perform the management and administration functions of the Fund provided for in this Registration Document.

7. MAIN SHAREHOLDERS

7.1 DECLARATION ABOUT THE DIRECT OR INDIRECT OWNERSHIP OF THE FUND MANAGER OR IF IT IS UNDER CONTROL.

On the registration date of this Registration Document, the title to the shares of the Fund Manager is distributed among the companies listed below, indicating the shareholding that corresponds to each one:

Name of the shareholding company	%
CaixaHolding, S.A.	85%
VidaCaixa, S.A. de Seguros y Reaseguros	9%
Caixa Barcelona Seguros Vida, S.A., Seguros y Reaseguros	6%

The above-mentioned companies are under the control of Caixa d'Estalvis i Pensions de Barcelona.

Caixa d'Estalvis i Pensions de Barcelona holds an indirect share (from which control is held) of 96.4% of the share capital of GestiCaixa, S.G.F.T, S.A.

8. FINANCIAL INFORMATION PERTAINING TO THE ASSETS AND RESPONSIBILITIES OF THE ISSUER, THE FINANCIAL POSITION AND PROFITS AND LOSSES

8.1 DECLARATION ABOUT THE START OF OPERATIONS AND FINANCIAL STATEMENTS OF THE ISSUER PRIOR TO THE DATE OF THE REGISTRATION DOCUMENT.

Pursuant to the provisions of section 4.4.2 of this Registration Document, the activity of the Fund will start on the execution date of the Deed of Formation, wherefore no financial statement has been made on the date of this Registration Document.

8.2 HISTORICAL FINANCIAL INFORMATION WHEN AN ISSUER MAY
HAVE INITIATED OPERATIONS AND FINANCIAL STATEMENTS
HAVE BEEN MADE

Not applicable.

8.3 HISTORICAL FINANCIAL INFORMATION FOR ISSUES OF SECURITIES
WITH AN INDIVIDUAL DENOMINATION THAT IS EQUAL TO OR
GREATER THAN 50,000 EUROS

Not applicable.

8.4 COURT AND ARBITRATION PROCEEDINGS

Not applicable.

8.5 CONSIDERABLE ADVERSE CHANGE IN THE FINANCIAL POSITION
OF THE ISSUER

Not applicable.

**9. INFORMATION FROM THIRD PARTIES, DECLARATIONS BY
EXPERTS AND DECLARATIONS OF INTEREST**

9.1 DECLARATION OR REPORT ATTRIBUTED TO A PERSON IN THE
CAPACITY OF AN EXPERT.

No declaration and no report are included.

9.2 INFORMATION COMING FROM THIRD PARTIES.

No information is included.

10. DOCUMENTS FOR CONSULTATION

10.1 DOCUMENTS FOR CONSULTATION.

If necessary, the following documents or copies of them can be inspected during the validity period of this Registration Document.

- a) The Deed of Formation of the Fund;
- b) The certifications of corporate resolutions of the Fund Manager and of the Assignor;
- c) This Prospectus;
- d) The contracts to be signed by the Fund Manager on behalf of and representing the Fund;
- e) The audit report on certain characteristics and attributes of a sample of the set of Credit Rights selected for their assignment to the Fund;
- f) The letters of declaration of the Management Entities of the Bond Issue;
- g) The letter of declaration of the Assignor of the Credit Rights;
- h) Framework collaboration agreement between the Department of Economy and Finance of the Generalitat de Catalunya and Banco de Sabadell, S.A. and framework collaboration agreement between the Department of Economy and Finance of the Generalitat de Catalunya and GestiCaixa, S.G.F.T., S.A.
- i) Generalitat Guarantee.
- j) The letter of the Ratings Agency notifying the ratings assigned to each one of the Series of the Bond Issue;
- k) The annual accounts of the Fund Manager and the corresponding audit reports; and
- l) The by-laws and deed of incorporation of the Fund Manager.

The said documents can be physically consulted at the registered address of GESTICAIXA, SGFT, S.A. in Barcelona at Avenida Diagonal 621.

Likewise, the Prospectus can also be consulted at the web page of GESTICAIXA, SGFT, S.A. at www.gesticaixa.com, in SCLBARNA in Paseo de Gracia 19, 08007 Barcelona. It is also available to investors interested in the offer through the Underwriting Entities.

Moreover, the documents stated in letters a) through l) can be consulted at the CNMV.

The Deed of Formation may be physically inspected at the registered address of SCLBARNA, Paseo de Gracia 19, 08007 Barcelona.

PROSPECTUS SCHEDULE

(Appendix VIII of EC Regulation number 809/2004 of the Commission)

1. RESPONSIBLE PERSONS

1.1 PERSONS RESPONSIBLE FOR THE INFORMATION INCLUDED IN THE PROSPECTUS SCHEDULE.

- 1.1.1 Mr. Xavier Jaumandreu Patxot, acting on behalf of and representing GESTICAIXA, SGFT, S.A., (hereinafter, the “*Fund Manager*” or “*Gesticaixa*”), assumes the responsibility for the content of this prospectus schedule (hereinafter, the “*Prospectus Schedule*”), including its Supplemental Addendum.

Mr. Xavier Jaumandreu Patxot acts in his capacity as Director General of the Fund Manager by virtue of the faculties conferred by the Board of Directors at its meeting on 29 June 2001 and expressly for the formation of the Fund by virtue of the powers awarded to him by the Board at its meeting on 21 November 2005.

1.2 DECLARATION OF THE PERSONS RESPONSIBLE FOR THE CONTENT OF THE PROSPECTUS SCHEDULE

- 1.2.1 Mr. Xavier Jaumandreu Patxot hereby declares that the information contained in this Prospectus Schedule and its Supplemental Addendum is, to the best of his knowledge and after executing the reasonable diligence to ensure that it is as stated, compliant with the facts and does not suffer from any omission that could affect the content.

2. RISK FACTORS OF THE SECURITIES

The risk factors linked both to the securities and the assets that back the Bond Issue are described in section II and III, respectively, of the previous section “Risk Factors” of this Prospectus.

3. BASIC INFORMATION

3.1 INTEREST OF THE NATURAL PERSONS AND LEGAL BODIES PARTICIPATING IN THE OFFER

The identity of the companies participating in the offer and their direct or indirect participation or control among them, is detailed in part 5.2 of the Registration Document. The interest of the stated entities to the extent that they are participants in the Bond Issue is the following:

- a) GESTICAIXA is the Fund Manager.
- b) BANCO SABADELL, S.A., and GESTICAIXA SGFT, S.A., have designed and structured the operation.
- c) BANCO SABADELL, S.A., is the Assignor of the Loans that are pooled into the Fund.
- d) BANCO DE SABADELL, S.A. participates as the Administrator of the Credit Rights.
- e) BANCO DE SABADELL, S.A. and Société Générale, the branch office in Spain, take part as Management Entities of the placement of the Bond Issue.
- f) BANCO DE SABADELL, S.A., and Société Générale, the branch office in Spain, take part as Underwriting Entities of the Bond Issue.
- g) BANCO DE SABADELL, S.A., participates as Payment Agent and Depository of the bond issue.
- h) CUATRECASAS ABOGADOS, participate as legal adviser of the Bond Issue.

- i) b) ERNST & YOUNG take part as the auditor of the Fund's Assets.
- j) MOODY'S and FITCH, participate as Rating Agencies.

Caixa d'Estalvis i Pensions de Barcelona, through Caixa Holding, S.A. holds an indirect share (from which control is held) of 96.4% of the share capital of GestiCaixa, S.G.F.T, S.A.

Likewise, Caixa d'Estalvis i Pensions de Barcelona, through Caixa Holding, S.A., has an indirect share of 14.3% of the share capital of Banco de Sabadell, S.A.

Mr. Xavier Jaumandreu Patxot, on behalf of and representing GESTICAIXA, hereby declares that he is unaware of the existence of any other type of link or economic interest of the experts who have participated in the design and advising of the formation of the GC FTPYME SABADELL 1 Fondo de Titulización de Activos fund (hereinafter, the "*Fund*"), and of all other participating entities.

Banco Sabadell, in addition to being the Assignor, acts in its capacity as the Manager, Underwriter and Broker of the issue.

Purpose of the operation.

The amount of the bond issue (hereinafter, the "*Bonds*") is wholly assigned to the subscription of the credit rights pooled into the Fund, as described below.

The credit rights to be pooled in the Fund's assets (hereinafter, the "*Credit Rights*") are derived from loans with mortgage guarantees (hereinafter, the "*Mortgage Loans*"), loans without mortgage loans (hereinafter, en "*Non-Mortgage Loans*"), hereinafter, the Mortgage Loans and the Non-Mortgage Loans, jointly, the "*Loans*") and the initial drawdowns of the mortgage loans (hereinafter, the "*Initial Drawdowns*") granted by La Caixa to finance Catalan non-financial businesses (hereinafter, the "*Debtors*"), at least 80% of which are small and medium enterprises (hereinafter, "*SMEs*") according to the definition contained in the Recommendation of the European Commission of 6 May 2003 (2003/361/CE), pursuant to the provisions of Resolution EFC/2186/2005 of 16 June of the Department of the Economy and Finance of the Generalitat de

Cataluña which approved the conditions and documentation for obtaining the Generalitat's Guarantee de Cataluña foreseen in article 29.14 of Law 11/2004 of 27 December (hereinafter, the "*Resolution*").

Due to the opened-by-asset nature of the fund, the Credit Rights may be initial credit rights, that is, Credit Rights that will be assigned by Banco de Sabadell, S.A. and acquired by the Fund upon formation (hereinafter, interchangeably, the "*Initial Credit Rights*" or "*Initial Assets*"), or additional credit rights, that is, Credit Rights assigned by Banco de Sabadell, S.A. and acquired by the Fund after the its formation (hereinafter, interchangeably, the "*Additional Credit Rights*" or "*Additional Assets*").

4 INFORMATION PERTAINING TO THE SECURITIES THAT ARE GOING TO BE OFFERED AND ADMITTED TO TRADING

4.1 TOTAL AMOUNT OF THE SECURITIES

The total amount of the Securitisation Bond issue (hereinafter, the "*Issue*") will amount to FIVE HUNDRED MILLION (500,000,000) euros, represented by five thousand (5,000) bonds with a face value of ONE HUNDRED THOUSAND (100,000) euros each. The Bonds will be issued in 3 classes (hereinafter, the "*Classes*", and individually, a "*Class*").

The issue price of the Bonds is at par value, that is, ONE HUNDRED THOUSAND (100,000) euros each Bond.

- **Class A**, made up of two Series of Bonds:
 - Series A(S): one thousand two hundred and eighty-nine (1,289) Bonds, for a total amount of one hundred and twenty-eight million, nine hundred thousand (128,900,000) euros.
 - Series A(G): three thousand four hundred fifty-six (3,456) bonds, for a total amount of three hundred and forty-five million six hundred thousand (345,600,000) euros.

- **Class B:** made up of a single Series of one hundred ninety-eight (198) bonds, for a total amount of nineteen million eight hundred thousand (19,800,000) euros.
- **Class C:** comprising a single series of fifty-seven (57) Bonds, for a total amount of five million, seven hundred thousand (5,700,000) euros.

Any mention in this Prospectus to Classes B and C is equivalent to Series B and C. Ownership or subscription of one Bond Class or Series does not imply ownership or subscription of the Bonds of the other Classes or Series.

The Bonds will be issued by virtue of Royal Decree 926/1998, wherefore they are legally considered uniform, standardised and fixed-income securities. They can therefore be traded on organised securities markets.

Underwriting of the placement of the Issue.

The underwriting of the placement of the Bond Issue, and the management thereof, will be carried out by Banco de Sabadell, S.A. and Société Générale, its Branch office in Spain (hereinafter, the *“Managing and Underwriting Entities”*) in accordance with the Subscription and Underwriting Agreement of the Placement and Bond Issue entered into by the Fund Manager, on behalf of the Fund, whereby the underwriting entities agree to subscribe to or to obtain, under their own liability, subscribers for the Bonds for the amounts stated in this section 4.1, and whereby the underwriting entities are liable for their respective underwritten amount.

ENTITY	SERIES AS		SERIES AG	
	Num.	AMOUNT	Num.	AMOUNT
Société Générale, Branch office in Spain			3.456	345.600.000
Banco de Sabadell, SA	1.289	128.900.000		
TOTAL	1.289	128.900.000	3.456	345.600.000

ENTITY	SERIES B		Series C	
	Num.	AMOUNT	Num.	AMOUNT
Banco de Sabadell, SA	198	19.800.000	57	5.700.000
TOTAL	198	19.800.000	57	5.700.000

The aforementioned notwithstanding, after the Formation Date of the Fund and prior to the start of the Subscription Period, Banco de Sabadell, S.A. and Société Générale, its Branch office in Spain, as Underwriting Entities, may commonly agree to assign part of their respective and aforementioned underwriting commitment to new underwriting entities. In this event, they shall inform the Fund Manager, which will proceed to modify the amounts of the commitments previously acquired by the Managing and Underwriting Entities listed in the previous table. The new underwriting entities shall become Underwriting Entities with the same rights and duties as the previously existing ones by express and full adhesion without any reservation or condition to all of the terms and conditions of the Management, Underwriting and Brokerage Contract of the Bond Issue. The incorporation of new underwriting entities may not give rise to any cost increase for the Fund, or modify the rights and duties that are derived for the Fund from this Prospectus Schedule and from the Deed of Formation of the same and from the rest of the contracts that affect it, in particular the Management, Underwriting and Brokerage Contract of the Bond Issue. In any event, the inclusion of new underwriting entities, as well as the distribution of the amounts of the respective underwriting commitments shall be communicated to the CNMV in order to make it available to the public, thereby modifying the amounts of the respective underwriting commitments shown in the preceding table. Banco de Sabadell, S.A., and Société Générale, branch office in Spain, as Managing Entities, shall inform the Fund Manager of the modifications of the distribution in the preceding underwriting table in accordance with the Management, Underwriting and Brokerage Contract.

The underwriting entities shall assume the obligations contained in the Management, Underwriting and Brokerage Contract and which are basically the following:

Each managing and underwriting entity undertakes to subscribe in its own name, at the end of the subscription period, the amount of Bonds necessary to complete the amount that was not subscribed during the Subscription Period up to the limit of their respective underwriting commitment.

- Each of the Underwriting Entities shall pay the payment made by the investors of the nominal value of the subscribed Bonds in the Treasury Account, as well as the nominal value of the Bonds subscribed by it, on 7 December 2005, with the same value date, before 10:15 AM (CAT), as established in said Contract.

- The Underwriting Entities must not carry out any activity that may be interpreted as the promotion of subscription offers or purchases of Bonds in any country or jurisdiction other than Spain, or with respect to the nationals or residents of any country which prohibits or limits said promotion, offer, placement, intermediation or sale activities, in breach of the requirements established in the local applicable legislation.

The underwriting commitment assumed by each entity shall be assumed jointly.

The Bond placement will take place during the Subscription Period. This placement, and the allocation of the Bonds will be unrestricted and made at the discretion of each underwriting entity, thereby ensuring in every instance that no discriminatory treatment occurs between requests that have similar characteristics. Nevertheless, the Underwriting Entities may give priority to the requests from their clients that they deem appropriate.

The lack of confirmation before the start of the Subscription Period of the provisional ratings given to the Bonds by the Ratings Agencies and the occurrence of any event of force majeure, pursuant to Article 1105 of the Civil Code, prior to the start of the Subscription Period shall constitute events of termination of the Management and Underwriting Contract, of the formation of the Fund and of the Bond Issue.

The disbursement of the subscription commitments assumed by each Underwriter shall be made at a time no later than 10:15 AM, Madrid time, on the Disbursement Date, by means of a payment by each Underwriter of their corresponding amount in the account opened on behalf of the Fund at the Payment Agent, effective on that same day.

In consideration for the commitment assumed by the underwriters, they shall receive an underwriting and placement commission (hereinafter, the *“Underwriting Commission”*) , which is included in the initial expenses of the Fund. Each one of the Bond Underwriting Entities shall receive the commissions that are included for each Bond in the following table, applied to the face value underwritten by the entity, all by virtue of the Underwriting Agreement:

Series	Underwriting Commission
A(S) Bonds	0,02
A(G) Bonds	0,02
B Bonds	0,02
C Bonds	0,02

Banco de Sabadell, S.A. and Société Générale, the Branch Office in Spain, shall take part as Management Entities. These shall not receive any remuneration for the management of the Bond issue.

4.2 DESCRIPTION OF THE TYPE AND CLASS OF SECURITIES.

The Bonds will have the juridical nature of negotiable fixed-income securities with explicit return, being subject, to the regime established by the Securities Market Law and applicable regulations.

4.3 LEGISLATION ACCORDING TO WHICH THE SECURITIES ARE CREATED

“GC FTGENCAT SABADELL 1, Fondo de Titulización de Activos is formed pursuant to Resolution ECF/2186/2005, dated 16 June which approves the bases

and documentation for obtaining the Guarantee by the Generalitat in accordance with the article 29.14 of the Budget Law 11/2004 of 27 December, of the Generalitat de Catalunya for the year 2005. “Fondo GC FTGENCAT SABADELL 1, Fondo de Titulización de Activos” is subject to the Spanish Law, and specifically to (i) Royal Decree 926/1998 and subordinated provisions, (ii) Royal Decree 1310/2005 of 4 November which partially governs Law 24/1988 of 28 July of the Stock Market in the issues relating to the admission to trading in secondary official securities market, public sale and subscriptions offers and the prospectus required for such purposes, (iii) Law 19/1992 of 7 July governing the system of companies and property investment funds and mortgage securitization funds, with respect to those issues not provided for by in Royal Decree 926/1998, (iv) of the current wording of the Law 24/1988 of the 28 July with respect to the Securities Market, in relation to their supervision, inspection and penalties, (v) EC Regulation number 809/2004 of the Commission, of 29 April 2004 pertaining to Directive 2003/71/EC of the European Parliament and of the Council as regards the information contained in prospectuses, as well as the formation, incorporation by reference and publication of said prospectuses and advertising, and (vi) all other legal and regulatory provisions in force at any given time.

4.4 INDICATION IF THE SECURITIES ARE NOMINAL OR BEARER AND IF THEY ARE IN THE FORM OF CERTIFICATES OR BOOK ENTRIES

The Bonds shall be represented by book entries, pursuant to the provisions in Article 926 of Royal Decree 926/1998, and they shall be constituted as such by virtue of being recorded in the corresponding accounting registry and they shall be in bearer form. The Deed of Formation shall have the desired effects as set forth in article 6 of the Securities Market Act 24/1988.

Bondholders shall be identified as such (on their own behalf or on behalf of third parties) according to the accounting registry kept by the Security Compensation and Settlement Service of the Stock Exchange of Barcelona (hereinafter, “**SCLBARNA**”), with registered address in Barcelona, calle Paseo de Gracia 19, 08007, Barcelona, which shall be appointed as entity responsible for the accounting registry of the Bonds in the Deed of Formation, in such a way that the compensation and settlement of the Bonds takes place in accordance with the rules of operation that, as regards the securities allowed for trading on the Stock

Exchange of Barcelona and represented by book entries, may be established or could be approved in the future by SCLBARNA.

4.5 CURRENCY OF THE ISSUE.

The securities shall be denominated in euros.

4.6 CLASSIFICATION OF THE SECURITIES ACCORDING TO SUBORDINATION.

The payment of interest and the repayment of the principal on Class B Bonds are postponed in respect of Class A, according to the Fund's Payment Priority Order hereinafter, the "Payment Priority Order") set forth in part 3.4.6 of the Supplemental Addendum.

The payment of interest and the repayment of the principal on Class C Bonds are postponed in respect of Class A and Class B Bonds, according to the Fund's Payment Priority Order set forth in part 3.4.6 of the Supplemental Addendum.

4.6.1. Simple statement regarding the order number that the payment of interest of the Bonds holds in the Payment Priority Order of the fund.

The payment of the interest accrued by the Series A(S) and A(G) bonds holds the third and fourth place (3 and 4) when applying the Available Funds of the Payment Priority Order established in section 3.4.6 of the Supplemental Addendum, and fourth and fifth place (4 and 5) when applying the Available Settlement Funds of the Settlement Payment Priority Order established in the same section.

The payment of the interest accrued by the Series B Bonds holds fifth place (5) when applying the Available Funds of the Payment Priority Order established in the said section 3.4.6 of the Supplemental Addendum, except in the event of the situation provided for in the same section for their down-ranking, in which case, it shall hold the eighth place (8) and the ninth place (9) when applying the Available Settlement Funds of the Settlement Payment Priority Order established in the same section.

The payment of the interest accrued by the Series C Bonds holds sixth place (6) when applying the Available Funds of the Payment Priority Order established in the said section 3.4.6 of the Supplemental Addendum, except in the event of the situation provided for in said section for their down-ranking, in which case, it shall hold the ninth place (9) and the eleventh place (11) when applying the Available Settlement Funds of the Settlement Payment Priority Order established in the same section.

4.6.2. Simple statement regarding the order number that the payment of the principal of the Bonds holds in the Payment Priority Order of the fund.

The retention of the Available Amount for Amortising the Bonds of Classes A, B and C, as a whole and without distinguishing between Classes, holds the seventh place (7) when applying the Available Funds of the Payment Priority Order established in the said section 3.4.6 of the Supplemental Addendum.

The amortisation of the principal of the Series A(S) Bonds holds the sixth and eighth place (6 and 8) in the Settlement Payment Priority Order depending on the applicable distribution rules established in section 3.4.6 of the Supplemental Addendum.

The amortisation of the principal of the Bonds of Series A(G) holds the seventh and eighth place (7 and 8) in the Settlement Payment Priority Order established in section 3.4.6 of the Supplemental Addendum, unless the pro-rated application rule of Class A may be applicable, which is described in section 4.9.4 of this Prospectus Schedule, in which case it shall hold the sixth and eighth place (6 and 8) in the Settlement Payment Priority Order.

The amortisation of the principal of the Series B Bonds holds the tenth place (10) in the Settlement Payment Priority Order established in section 3.4.6 of the Supplemental Addendum.

The amortisation of the principal of the Series C Bonds holds the twelfth place (12) in the Settlement Payment Priority Order established in section 3.4.6 of the Supplemental Addendum.

4.7 DESCRIPTION OF THE RIGHTS LINKED TO THE SECURITIES.

Pursuant to legislation in force, the Bonds, object of this Prospectus Schedule, shall, for the investor who may acquire them, have no present and/or future policy right over GC FTPYME SABADELL 1, F.T.A.

The economic and financial rights of the investor associated with the acquisition and holding of the Bonds shall be derived from the conditions of interest rate, yields and amortisation prices according to which they may be issued and which may be included in the following sections 4.8 and 4.9.

In the event of the default of any amount due to the Bondholders, they may only make a claim before the Fund Manager and only when the latter may have breached the duties that are incumbent upon it and included in the Deed of Formation and in this Prospectus. The Fund Manager is the only authorised representative of the Fund before third parties and in any legal proceeding in accordance with the applicable law.

The duties of the Assignor and of all other entities that in one way or another may participate in the operation are limited to those that are included in the corresponding contracts pertaining to the FONCAIXA FTGENCAT 3, FTA Fund, the relevant ones of which are described in the Prospectus Schedule and the Deed of Formation.

Any issue, disagreement or dispute pertaining to the Fund or the Bonds issued against the same, that may arise during its operational lifetime or its settlement, whether among the Bondholders themselves or between the Bondholders and the Fund Manager, shall be submitted to Spanish courts, and the parties hereby expressly waive any other jurisdiction to which they may have a right.

4.8 NOMINAL INTEREST RATE AND PROVISIONS PERTAINING TO THE PAYMENT OF INTEREST.

4.8.1 Date when interest becomes payable and the interest due dates.

4.8.1.1. Nominal interest.

All Bonds issued shall accrue, as from the Disbursement Date until the final maturity of the same, an annual nominal interest rate, variable by quarter, and with the quarterly payment calculated as stated below. This interest shall be paid by completed quarters on each Payment Date on the Outstanding Balance of Principal of the Bonds of each series on the immediately preceding Payment Date.

The interest on the Bonds shall be paid, in relation to the rest of the Fund payments, in accordance with the Payment Priority Order described in section 3.4.6 of the Supplemental Addendum. For the purpose of the accrual of the interest of all Series, the Bond Issue shall be understood as divided into interest accrual periods (hereinafter, the *"Interest Accrual Periods"*), the duration of which shall be the duration existing between two Payment Dates (including the initial payment date and excluding the final date). The first Interest Accrual Period shall begin on the Disbursement Date, inclusive, and end on the first Payment Date, 19.03.06, exclusive.

4.8.1.2. Nominal Interest Rate.

The nominal interest rate that each Series of Bonds will accrue during each Interest Accrual Period shall be the result of the sum of: (i) the reference interest rate (hereinafter, the *"Reference Interest Rate"*), which is determined as set forth below and which is common to all the Series of Bonds and rounded to the nearest whole thousandth, thereby taking into account that, in the event that the closeness for rounding up or down is identical, such rounding will be made up, plus (ii) the margin applicable to each Series of Bonds, as indicated below.

4.8.1.3. Reference Interest Rate

The Reference Interest Rate for determining the interest rate applicable to the Bonds of all the Series shall be, except for the first Interest Accrual Period, the three-month (3) *Interbank Offered Rate* (hereinafter, the “**EURIBOR**”) for the euro or, if it must be replaced, determined as set forth below.

Exceptionally, the Nominal Interest Rate of the Bonds of each one of the Series for the first Interest Accrual Period shall be determined by taking the arithmetic average of the EURIBOR rate at a three-month (3) month maturity and the EURIBOR rate at a four-month (4) month maturity, established at 11:00 AM (CET time) of the second (2) Business Day immediately prior to the Disbursement Date.

$$IR = (E4 + E3) / 2$$

IR: Reference Interest Rate for the first Interest Accrual Period

E4: Euribor at 4 months rate

E3: Euribor at 3 months rate

4.8.1.4. Fixing of the Reference Interest Rate of the Bonds.

The EURIBOR shall be fixed in accordance with the rules described in this section.

On each one of the fixing dates (hereinafter, the “**Fixing Dates**”, and individually, a “**Fixing Date**”) of the Reference Interest Rate, the Fund Manager shall fix the Reference Interest Rate, which shall be equal to the EURIBOR, hereby understood as the following:

- (i) The three-month EURIBOR rate (except for the first Interest Accrual Period, when the arithmetic average of the EURIBOR rate at a three-month (3) month maturity and the EURIBOR rate at a four-month (4) month maturity, shall be taken) that results from the REUTERS screen, EURIBOR01 page at 11:00 AM (CET time) on the Fixing Date. The “REUTERS screen, EURIBOR01 page” is the screen that reflects the content of the

“EURIBOR01” page on the REUTERS MONITOR MONEY RATES SERVICE (or any other page that may replace it in this service).

- (ii) In the absence of rates in accordance with the provisions in the preceding section (i), it shall be in accordance with the three-month EURIBOR rate (except for the first Interest Accrual Period, when the arithmetic average of the EURIBOR rate at a three-month (3) month maturity and the EURIBOR rate at a four-month (4) month maturity) that results from the “TELERATE” screen (TELERATE SPAIN, S.A.), on page 248 (or any other page that may replace it in this service) at 11:00 AM (CET time) on the Fixing Date.
- (iii) In the absence of rates in accordance with the provisions of the preceding numbers (i) and (ii), the Replacement Reference Interest Rate shall be the interest rate that results from the simple average of the inter-bank interest rates for non-transferable deposit operations in euros with three-month’s maturity and by the equivalent amount of the Pending Face Value of the Bonds offered on the Fixing Date by the entities indicated below, after and close to 11:00 AM, and this interest rate shall be requested simultaneously from these entities:
 - i. Banco Santander Central Hispano
 - ii. Banco Bilbao Vizcaya Argentaria (BBVA)
 - iii. Deutsche Bank
 - iv. Confederación Española de Cajas de Ahorros

The reference city shall be the city of Madrid.

In the event that any of the said entities did not provide a quotation declaration, it shall be the rate that results from applying the simple arithmetic average of the rates declared by at least two of the remaining entities.

- (iv) In the absence of rates in accordance with the provisions set forth in sections (i), (ii) and (iii), it shall be the application of the last Reference Interest Rate of the immediately preceding Interest Accrual Period, and thus successively for as long as such a situation may exist.

The Fund Manager shall keep the printouts of the contents of the REUTERS or TELERATE screens or, if applicable, of the quotation declarations of the banking entities stated in the preceding Section (iii) as supporting documents of the determined EURIBOR Interest Rate.

4.8.1.5. Fixing Date of the Reference Interest Rate and of the Interest Rate of the Bonds

The Fixing Determination Date of the Reference Interest Rate for each Interest Accrual Period shall be the second Business Day prior to the Payment Date that sets the start of the corresponding Interest Accrual Period. For the first Interest Accrual Period, the Reference Interest Rate shall be determined on the second Business Day prior to the Disbursement Date.

Once the Reference Interest Rate of the Bonds has been fixed, on the same Fixing Date the Fund Manager shall calculate and fix, for each of the Series of Bonds, the interest rate applicable to the following Interest Accrual Period.

The resulting interest rate shall be announced by the Fund Manager using the channels generally accepted by the market that guarantee adequate publication of the information in time and content.

4.8.1.6. Margin to be applied to the Interest Rate for each Series of Bonds

The margins that will be applied to the Reference Interest determined as specified above, for calculating the interest rate that the Bonds of each of the Series will acquire in each Interest Accrual Period, shall be determined pursuant to the following ranges:

- Series A(S): margin encompassed between 0.10 % and 0.20 %, both inclusive.

- Series A(G): margin encompassed between 0.02 % and 0.08 %, both inclusive.
- Series B: margin encompassed between 0.35 % and 0.45 %, both inclusive.
- Series C: margin encompassed between 0.70 % and 0.80 %, both inclusive.

The margin applicable to each one of the A(S), A(G), B and C Series, expressed as a percentage, shall be determined by common agreement by all the Management Entities before 9:00 AM (CET time) on the Interest Rate Fixing date prior to the start of the Subscription Period and shall subsequently be communicated to the Fund Manager.

In the absence of an agreement, the Fund Manager shall set the specific margin on those for which there were no agreement, using the following margins:

- Series A(S): margin of 0.15 %
- Series A(G): margin of 0.05 %
- Series B: margin of 0.40 %
- Series C: margin of 0.75%

The definitive margins applicable to each one of the series that had been set by the Fund Manager, shall be notified to the Management Entities and to the Underwriting Entities prior 10:00 AM on the start date of the Subscription Period so that they can inform investors who may be interested in subscribing to the Bonds.

The Nominal Interest Rate applicable to the Bonds of each Series for the first Interest Accrual Period shall be made public before the Disbursement Date by means of the announcement provided for in section 4 of the Supplemental Addendum and by means of a communiqué to the CNMV by the Fund Manager. The final applicable margin shall be recorded in the Notarised Certificate of Disbursement.

4.8.1.7. Formula for calculating the interest of the Bonds

The interest accrued by the Bonds of all the Series during each Interest Accrual Period shall be calculated by the Fund Manager according to the following formula:

$$I = N * r * \frac{n}{360}$$

Where:

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

I = The total amount of interest accrued by the Bond in the Interest Accrual Period.

r = The annual interest rate of the Bond expressed as an integer value, calculated as the sum of the EURIBOR Reference Rate of the corresponding Interest Accrual Period plus the established differential.

n = The number of days in the Interest Accrual Period.

In the event that, pursuant to the Payment Priority Order established in section 3.4.6 of the Supplemental Addendum, the Available Funds of the Fund (hereinafter, the “*Available Funds*”) were insufficient for paying the interest to the holders of the A(G) Bonds that should be received on a Payment Date, pursuant to the provisions in this section, the Fund Manager shall request that the Department of Economy and Finance of the Generalitat of Catalonia, by means of a written notice accrediting the occurrence of the aforementioned situation and the claimed amounts, credit the Treasury Account of the Fund with the amount that may be necessary for paying the interest of the A(G) Bonds, thereby charging the Guarantee referenced in section 3.4.7.2. of the Supplemental Addendum.

4.8.2 Dates, places, entities and procedure for payment of the coupons

The interest of the Bonds, regardless of the Series to which they may pertain, shall be payable by completed quarters on 19 March, June, September and December of

each year until the final maturity date of the Bonds. In the event that any of the said days were not a Business Day, the interest corresponding to the quarter shall be payable on the next Business Day.

If on a Payment Date (hereinafter, the “*Payment Date*”), and in spite of the mechanisms set forth for the protection of the rights of the Bondholders, the Available Resources of the Fund are not sufficient to meet the interest payment obligations of the Fund in accordance with the provisions set forth in section 3.4.6 of the Supplemental Addendum, the amount available for making the interest payment shall be distributed in accordance with the Payment Priority Order set forth in said section. In the event that the Available Resources are only sufficient for partially meeting the obligations that have the same priority order, independently for each one of them, the amount available shall be divided proportionally between the affected Bonds and proportionally to the Outstanding Balance of Principal (hereinafter, the “*Outstanding Balance of Principal*”), and the amounts that the Bondholders had not received shall be considered pending payment and be paid on the next Payment Date that it may be possible, without thereby accruing additional interest. The payments pending to the Bondholders shall be made effective on the next Payment Date, if there are Available Funds to do so, with priority immediately before the payments to the Bondholders of that same Series corresponding to the said period, except for (i) payment of the interest of the Bonds of Series A(S) and A(G), due and unpaid on previous Payment Dates, given that they appear explicitly in the Payment Priority Order established in section 3.4.6 of the Supplemental Addendum and (ii) the provisions in section 3.4.7.2 of the Supplemental Addendum for payment of the interest of the endorsed Series A(G). The Fund, through the Fund Manager, may not defer the payment of Interest or Principal of the Bonds after the Legal Maturity Date, meaning 28 November 2023, or the next Business Day.

The Payment Priority Order is included in section 3.4.6 of the Supplemental Addendum.

All withholdings, payments and taxes that are established or that may be established in the future on the principal, interest or returns of these Bonds shall be payable exclusively by the Bondholders, and the amount thereof shall be

deducted, if applicable, by the corresponding entity in the legally established manner.

Payment shall be made through the Payment Agent, thereby using IBERCLEAR and its participating entities for the distribution of the amounts.

4.8.3. Description of the Underlying and Historical Information

Evolution of the EURIBOR interest rates in recent months:

For merely informative purposes, data are given below on the 3-month EURIBOR rates appearing on the Reuters screen, EURIBOR01 page, on the indicated dates, as well as the applicable Nominal Interest Rate that would have resulted for each Bond Series in the event that the applicable margin were the mean margin of the range established for each Series in accordance with section 4.8.1.6 of this Prospectus Schedule (0.15% for Series A(S), 0.05% for Series A(G), 0.40% for Series B and 0.75% for Series C):

Date	3-M EURIBOR	Bonds Series A(S)	A(G) Bonds	B Bonds	C Bonds
12/09/2002	3,315%	3,465%	3,365%	3,715%	4,065%
12/12/2002	2,930%	3,080%	2,980%	3,330%	3,680%
13/03/2003	2,545%	2,695%	2,595%	2,945%	3,295%
12/06/2003	2,124%	2,274%	2,174%	2,524%	2,874%
09/09/2003	2,153%	2,303%	2,203%	2,553%	2,903%
11/12/2003	2,150%	2,300%	2,200%	2,550%	2,900%
11/03/2004	2,058%	2,208%	2,108%	2,458%	2,808%
11/06/2004	2,112%	2,262%	2,162%	2,512%	2,862%
13/09/2004	2,116%	2,266%	2,166%	2,516%	2,866%
13/12/2004	2,174%	2,324%	2,224%	2,574%	2,924%
11/03/2005	2,135%	2,285%	2,185%	2,535%	2,885%
13/06/2005	2,111%	2,261%	2,161%	2,511%	2,861%
13/09/2005	2,136%	2,286%	2,186%	2,536%	2,886%
13/10/2005	2,185%	2,335%	2,235%	2,585%	2,935%
15/11/2005	2,350%	2,500%	2,400%	2,750%	3,100%

In the event that the payment day of a periodic coupon were not a business day for the purposes of the calendar, payment shall be transferred to the immediately following business day. For these purposes and for the lifetime of the Bonds, “Business Days” shall be deemed to be all those that are not:

- Saturday,
- Sunday,
- A holiday in Madrid,
- A holiday in Barcelona and
- A non-business day of the TARGET calendar

4.8.4. Calculation Agent

The Calculation Agent shall be the Fund Manager.

4.9 MATURITY DATE AND AMORTISATION OF THE SECURITIES.

4.9.1. Redemption price of the Bonds.

The redemption price for the Bonds of each Series shall be one hundred thousand (100,000) euros per Bond, equivalent to their face value, free of expenses and taxes for the Bondholder, payable progressively on each principal Payment Date, as set forth in the following sections.

Each and every one of the Bonds of the same Series shall be amortised in equal amounts by means of reducing the face value of each one of them.

4.9.2. Maturity of the issued Bonds.

The final maturity of the Bonds of all the Series shall occur on the Date when they may be fully amortised or on the Legal Maturity Date of the Fund, meaning on 28 November 2023 or the next Business Day, without prejudice to the fact that the Manger, pursuant to section 4.4.3 of the Registration Document, may proceed to amortise the Bond Issue prior to the Legal Maturity Date of the Fund.

The last regular amortisation date of the Credit Rights pooled into the secured portfolio is 28 November 2020.

The Bonds shall be amortised on each Payment Date, meaning on 19 March, June, September and December of each year (or, in the event that they are not Business Days, on the next Business Day), in accordance with the provisions herein set forth and subject to the Payment Priority Order included in section 3.4.6 of the Supplemental Addendum.

4.9.3. Characteristics common to the amortisation of the Bonds of all the Classes

Net Outstanding Balance of Principal

The “Net Outstanding Balance of Principal” of the Bonds of a Class or Series on a Payment Date shall be understood as the Outstanding Nominal Balance of the said Series or Class of Bonds before the amortisation corresponding to said Payment Date, decreased by the amount accrued on the previous Payment Dates and deposited in the Amortisation Account under the concept of amortisation of the Bonds of the Class or Series in question.

Combined, the Net Outstanding Balance of Principal of the Bonds shall be the sum of the Net Outstanding Balance of Principal of each one of the Series that make up the Bond Issue.

Outstanding Balance of the Credit Rights.

The outstanding balance of the credit rights (hereinafter, the “*Outstanding Balance of the Credit Rights*”) on any given date will be the sum of the outstanding payments on a specific credit right as of that date and the amounts due but not paid into the Fund.

Outstanding Balance of the Non-Defaulted Credit Rights.

The Outstanding Balance of a Loan on a date shall be the sum of the pending capital or principal of the specific loan on that date and the capital or principal

due and not deposited into the Fund, without including the Defaulted Amounts, as defined below.

Defaulted Amounts are amounts that have matured and are unpaid, plus the outstanding balance of those assets pending amortisation in which:

- The Debtor may have been declared to be in a situation of insolvency, or
- The Fund Manager considers, according to the information provided by the Assignor, that there are no reasonable expectations of recovering the same; or in any event when
- Non-payment lasts for an uninterrupted period of twelve (12) months.

Defaulted credit rights (hereinafter, “*Defaulted Credit Rights*”) shall be considered those that (a) are unpaid on a date for an amount equal to or greater than twelve (12) months of delay in the payment of the overdue amounts or (b) may be classified as in default by the Fund Manager because there is reasonable doubt about their full repayment and (c) the Debtor has been declared insolvent.

Available Amount for Amortisation and Amortisation Deficit

The available amount of principal (hereinafter, the “*Available Amount of Principal*”) shall be the amount equal to the lesser of the following:

- a) The positive difference on that Payment Date between (a) the sum of (i) the Net Outstanding Balance of Principal of the Bonds prior to the amortisation made on that Payment Date and (ii) the amounts drawn down and not repaid, charged to the Guarantee for payment of the principal of the A(G) Bonds on the preceding Payment Dates, and (b) the sum of the Outstanding Balance of the non-Defaulted credit rights on the last day of the month prior to the Payment Date (hereinafter, the “*Theoretical Principal Amount*”), and

- b) (b) the Available Funds on that Payment Date, after having deducted the amounts corresponding to the concepts indicated in sections (1) to (6) of the Payment Priority Order.

Based on the existing liquidity on each Payment Date, the amount actually applied from the Available Funds to the retention of the Available Amount of Principal shall be deposited in the Available Funds of Principal to be applied pursuant to the rules for the distribution of Available Funds of Principal established below.

The amortisation deficit (hereinafter, the “*Amortisation Deficit*”) on a Payment Date shall be the positive difference, if it existed, between:

- (i) The Theoretical Amortisation Amount, and
- (ii) The Available Amount for Amortising.

Available Principal Funds:

The available funds of principal (hereinafter, the “*Available Funds of Principal*”) shall be equal to the sum of the following amounts:

- The amount of the Available Principal withheld in number seven (7) of the Payment Priority Order on the corresponding Payment Date.
- The balance of the Principal Account exclusively on the Payment Date of 19 June 2008.

During the Replacement Period, the Available Principal shall be applied to the payment of the Assignment Price (as defined in section 3.3.1.8 of the Supplemental Addendum) of the value of principal of the amounts of the additional Credit Rights assigned to the Fund on the Replacement Date. The remainder of the Funds Available for Amortisation not used for the acquisition of the additional Loans will remain in deposit in the Amortisation Account.

From the Payment Date immediately after the end of the Replacement Date, the Available Funds of Principal shall be applied in accordance with the rules for the amortisation of the Bonds.

Moreover, the Fund shall have available, allocated solely to amortisation of the principal of the A(G) Series, the amount drawn down for executing the Generalitat Guarantee that was created on the same Payment Date, pursuant to the provisions in section 3.4.7.2 of the Supplemental Addendum. Until the Payment Date of 19 June 2008, excluded, the amount drawn down due to the execution of the Generalitat's Guarantee shall be paid into the Principal Account.

Accumulation of Principal

On any Payment Date prior to 19 June 2008 (not inclusive), the Amounts Available for Amortisation shall be deposited in the Amortisation Account. The Fund Manager shall maintain a record that reflects the amount thus accumulated in relation to each of the Series, A(S) and A(G), and B and C.

On the Payment Date of 19 June 2008, the Fund Manager shall make payment to the Bondholders of Classes A, B, and C (not subject to the Payment Priority Order) of the funds thus accumulated according to the amounts maintained in the registry.

4.9.4. Specific characteristics of the Amortisation of each of the Classes or Series of Bonds.

Distribution of the Funds Available for Amortisation

The amortisation of each one of the Bond Classes or Series shall begin on the Payment Date immediately after the end of the Replacement Period.

1. The Funds Available of Principal shall be applied sequentially, first for amortisation of Class A and redemption of the amounts owed to the Generalitat for executing the Guarantee for amortisation of the A(G) Series until their full amortisation and redemption; second for amortisation of Series

B until their full amortisation; and third for amortisation of Series C until their full amortisation, without prejudice to the provisions in the following rules 2 and 3 for pro-rated amortisation of the various Series and Classes.

2. The Available Funds of Principal applied to amortisation of Class A and to repayments of the amounts due to the Generalitat for executing the Guarantee for amortisation of Series A(G), by virtue of both the preceding rule 1 and the following rule 3, shall be applied as follows:

2.1 Ordinary application in the following order:

- 1º. Amortisation of the Series A(S) Bonds.
- 2º. Once the Series A(S) Bonds have been fully amortised, amortisation of the principal of the Series A(G) Bonds and repayment to the Generalitat of the amounts drawn against the Guarantee for the redemption of the principal of the Series A(G) Bonds.

The amount of the Available Funds of Principal applied on a Payment Date to both concepts (amortisation of the principal of the Series A(G) Bonds and repayment of the amounts owed to the Generalitat as a result of executing the Guarantee for amortisation of the A(G) Series) shall be applied as follows:

- (i) In the event that there is a Principal Deficit on the current Payment Date, first to amortisation of the Series A(G) and second, for any remaining amount, to repayment of the amounts owed to the Generalitat as a result of executing the Guarantee for amortisation of Series A(G).
- (ii) Conversely, first to repayment of the amounts owed to the Generalitat as a result of executing the Guarantee for amortisation of Series A(G), and second, by any remaining amount, to amortisation of Series A(G).

2.2 Exceptional, pro-rated application of Class A, if to the total amortisation of the A(S) Series had not occurred (hereinafter, **“Pro rata Amortisation of Class A”**). The order of application of the preceding section 2.1. shall be interrupted on any Payment Date if, on the date corresponding to the last day of the month immediately prior to the corresponding Payment Date, the proportion between (i) the Outstanding Balance of the Loans and Initial Drawdowns that were up-to-date in payment of the amounts due plus the Outstanding Balance of the Loans and Initial Drawdowns that were in default by less than ninety (90) days, thereby having increased the part of the balance of the Principal Account corresponding to the amortisation of the bonds of the A(S) and A(G) Series, if they existed, and the amount of the income received for reimbursement of the principal of the Credit Rights and Initial Drawdowns during the three (3) calendar months prior to the Payment Date (on the first Payment Date, by the amount of the income received for the reimbursement of the principal of the loans as from the Formation Date until the last day of the month immediately prior to the said Payment Date), and (ii) the Outstanding Balance of Principal of Class A, increased in the balance of the amounts owed to the Generalitat for executing the Warranty for amortisation of the A(G) Series, were less than or equal to 1.

In this event, on the corresponding Payment Date, the Funds Available of Principal applied to amortisation of Class A and to reimbursement of the amounts owed to the Generalitat for executing the Guarantee for amortisation of the A(G) Series, shall be assigned pro rata directly proportional (i) to the Net Outstanding Balance of Principal of the A(S) Series, and (ii) to the Net Outstanding Balance of Principal of the A(G) Series, thereby having increased the balance by the amounts owed to the Generalitat for executing the Guarantee for amortisation of the A(G) Series. Point (ii) shall be distributed between the amortisation of the principal of the Bonds of the A(G) Series and reimbursement to the Generalitat of the amounts owed for executing the Guarantee for amortisation of the A(G) Series, pursuant to the rules set forth in point 2.1 of this section.

3. Nevertheless, even if Class A had not been amortised in its totality, as from the Payment Date following the one when the ratios between the Net Outstanding Balance of Principal of Series B and/or of Series C with respect to the Net Outstanding Balance of Principal of the Bond Issue, thereby having increased the balance from the amounts owed to the Generalitat for executing the Guarantee for amortisation of the A(G) Series, turned out to be equal to or greater than 7.92% and 2.28%, respectively, the Funds Available of Principal shall be applied (i) to amortisation of Class A and to reimbursement of the amounts owed to the Generalitat for executing the Guarantee for amortisation of Series A(G), pursuant to the rules set forth in point 2.1 of this section, and (ii) to amortisation of Series B and C, pro rata directly proportional between the same, such that the said ratios between (a) the Net Outstanding Balances of Principal of Series B and Series C and (b) the Net Outstanding Balance of Principal of the Bond Issue, thereby having increased the balance from the amounts owed to the Generalitat for executing the Guarantee for amortisation of the A(G) Series, are maintained at 7.92% and 2.28%, respectively, or higher percentages as close as possible.

Nevertheless, the Available Funds for Amortisation shall not be applied on the Payment Date to amortisation of Series B and Series C if any of the following circumstances occurred:

- The amount of the allocated Reserve Fund were less than the Required Minimum Level of the Reserve Fund.
- The pro rata amortisation of Class A were applicable, as set forth in the preceding point 2.2.
- If, on the Determination Date prior to the corresponding Payment Date, the amount (i) of the sum of the Outstanding Balance of the Non-defaulted Credit Rights that were in arrears by more than three months (3) in payment of the amounts due with respect to (ii) the amount of the Outstanding Balance of the Non-defaulted Credit Rights, on that same date was greater than 1.20%, then Series B would

not be amortised, or it was greater than 1.00%, then Series C would not be amortised.

- On the Determination Date prior to the corresponding Payment Date, the amount of the Outstanding Balance of the Non-defaulted Credit Rights were less than 10 percent of the Initial Outstanding Balance of the Credit Rights.

On the Settlement Payment Date of the Fund, the amortisation of the various Bond Classes and the reimbursement to the Generalitat of the amounts owed for executing the Guarantee for amortisation of Series A(G) shall occur by distribution of the Funds Available for Settlement through the Payment Priority Order of Settlement provided for in section 3.4.6 of the Supplemental Addendum.

4.10 INDICATION OF THE RETURN.

The average life, yield, duration and final maturity of the bonds of each series depend on various factors. The most significant are the following:

- i) The calendar and amortization system of each one of then Credit Rights set forth in their corresponding policies or public deeds.
- ii) The capacity that the debtors have for early and full settlement of the Credit Rights and the speed with which this early settlement is made overall, throughout the life of the fund.
- iii) The arrears of debtors in the payment of the mortgage loan amounts.

In order to calculate the tables included in this section, the following hypotheses have been taken into account with regard to the factors described:

- interest rate of the mortgage loans: weighted average interest rate of 3.42% on 14 November of the portfolio of selected loans that have been used for calculating the amortisation amounts and interest of each one of the selected loans;

- Default of the portfolio of Mortgage Participations: 0% of the Outstanding Balance of the Credit Rights;
- Defaults of the portfolio of loans that are considered uncollectable: 0%;
- The prepayment rate of the loans stays constant throughout the life of the Bonds;
- The Disbursement Date of the Bonds is 7 December 2005;
- No Principal Deficit occurs; and
- There is no extension of the term of any of the loans.

The Internal Rate of Return (hereinafter, “IRR”) for the subscriber must take into account the date and purchase price of the Bond, the quarterly payment of the coupon and all amortisations, both the amortisation according to the planned schedule as well as those of an early nature. The real adjusted duration and the return of the Bonds will also depend on their variable interest rate.

The nominal interest rates of each Series that are assumed for the first Interest Accrual Period are the following, which are the result of applying Reference Interest Rate for the first Interest Accrual Period (2.376%) resulting from the average between the 3-month Euribor (2.350%) and the 4-month Euribor (2.402%) on 15 November 2005 and in the event that the applicable margins were the margins that the Fund Manager would apply, if there were no agreement, according to section 4.8.1.6 (0.05% for Series A(G), 0.15% for Series A(S), 0.40% for Series B and 0.75% for Series C):

	A(G) Bonds	A(S) Bonds	B Bonds	C Bonds
Nominal Interest Rate.	2,426%	2,526%	2,776%	3,126%

For subsequent Interest Accrual Periods, the nominal variable interest rates of the Bonds of each Series are assumed to be constant according to the following details, which are the result of the 3-month Euribor (2.350%) on 15 November 2005 and in the event that the margins applicable to each Series were the margins that the Fund Manager would apply, if there were no agreement, according to section 4.8.1.6 (0.05% for Series A(G), 0.15% for Series A(S), 0.40% for Series B and 0.75% for Series C):

	A(G) Bonds	A(S) Bonds	B Bonds	C Bonds
Nominal Interest Rate.	2,40%	2,50%	2,75%	3,10%

The Average Life of the Bonds for the various Prepayment Rates, hereby assuming the hypotheses described previously, would be the following:

GC FTGENCAT SABADELL 1, ASSET SECURITISATION FUND				
SCENARIO		0% CPR	5% CPR	10% CPR
Series A(S)	Average life (years)	2,99	2,88	2,81
	IRR	2,562	2,562	2,562
Series A(G)	Average life (years)	6,61	5,55	4,97
	IRR	2,457	2,457	2,457
Series B	Average life (years)	7,86	6,51	5,85
	IRR	2,819	2,819	2,819
Series C	Average life (years)	7,86	6,51	5,85
	IRR	3,182	3,182	3,182
Early settlement Date of the Fund		19/06/2016	19/03/2014	19/03/2013
Maturity (years)		10,55	8,29	7,29

*These rates have been considered according to the experience of the Assignor in these
types of Credit Rights*

The average life of the Bonds has been calculated by the following formula:

$$A = \frac{\sum_{n=1}^n (B_n * m_n)}{C} * \frac{1}{12}$$

where:

A= Average life expressed in years.

B_n= Principal to be amortised on each Payment Date.

mn= Months included between the Disbursement Date of the Issue and each Payment Date.

n = 1,.....,n. Number of quarters (Payment Dates) in which the amounts, B_n, shall be paid.

C = Total amount of the issue in euros.

The formula used for calculating the IRR is the following:

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

where,

N = 100,000 euro face value of the Bond.

I = IRR expressed in an annual rate, as an integer value.

d_n= Days included between the Disbursement Date of the Issue and each Payment Date.

a_n= a₁,.....,a_n. The total amounts of amortisation and interest that investors will receive quarterly.

n = 1,.....,n. Number of quarters in which the amounts, a_n, shall be paid.

Duration of the Bonds: The concept of *duration* applied to a fixed-income bond, according to the definition by Macaulay commonly used, is a measure of the sensitivity of the value of the asset in relation to the change of the IRR of the market. In summary, the *duration* is a measure of the risk of a change in the bond's value as a result of the change in the return of its market references. Therefore, this measure of risk has a different interpretation depending on whether the bonds are variable interest rate bonds or fixed-income bonds.

Duration of the Bonds (modified Macaulay's formula):

$$D = \frac{\sum_{n=1}^n (P_n * VA_n)}{PE} * \frac{1}{(1 + I)}$$

where:

D = Duration of each Bond Series, expressed in years.

P_n= Time elapsed (in years) between the Disbursement Date and each of the Payment Dates.

VA_n= Current value of each of the total amounts that, under the concept of principal and interest, investors would receive quarterly, discounted annually at the effective interest rate (IRR).

PE = Issue price of the Bonds, 100,000 euros.

I = Effective annual interest rate (IRR).

n = 1,.....,n. Number of quarters (Payment Dates) in which the amounts shall be paid.

The Fund Manager expressly states that the financial servicing tables of each one of the series described hereunder are merely theoretical and for illustrative purposes and do not represent any payment obligation whatsoever, remembering that:

- The CPR's are assumed constant at 0.00%, 5.00% and 10.00%, respectively, throughout the life of the Bond Issue, and said CPR's may be different from the actual early redemption.
- The Outstanding Balance of Principal of the Bonds on each Payment Date, and therefore the interests to be paid on each of them, shall depend on the real early redemption, the delinquency and the degree of defaults experienced by the Credit Rights.
- The nominal interest rates of the Bonds are assumed to be constant for each Series from the second Interest Accrual Period onwards, and the interest rate of all the Series is variable.

- The hypothetical values mentioned at the beginning of this section are assumed in all cases.
- It is assumed that the Fund Manager shall exercise the option of Early Settlement of the Fund and use this for the Early redemption of the Bond Issue, when the Outstanding Balance of the Non-defaulted Credit Rights is less than 10% of the Initial Outstanding Balance when the fund was constituted.
- In this stated scenario, the Pro Rata Amortisation of Class A does not become operable, and the Conditions for Pro Rata Amortisation of Series B and C do.
- The entire balance of the Principal Account is used to acquire additional credit rights and not to amortise the Bonds.

FLOWS FOR EACH BOND WITHOUT RETENTION FOR THE SUBSCRIBER, IRR = 0% (in euros)												
Payment Date	Series A(S)			Series A(G)			Series B			Series C		
	Amort.	Gross	Total	Amort.	Gross	Total	Amort.	Gross	Total	Amort.	Gross	Total
	Princ.	Inter.	Total	Princ.	Inter.	Total	Princ.	Inter.	Total	Princ.	Inter.	Total
19/03/2006	0,00	715,70	715,70	0,00	687,37	687,37	0,00	786,53	786,53	0,00	885,70	885,70
19/06/2006	0,00	638,89	638,89	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/09/2006	0,00	638,89	638,89	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/12/2006	0,00	631,94	631,94	0,00	606,67	606,67	0,00	695,14	695,14	0,00	783,61	783,61
19/03/2007	0,00	625,00	625,00	0,00	600,00	600,00	0,00	687,50	687,50	0,00	775,00	775,00
19/06/2007	0,00	638,89	638,89	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/09/2007	0,00	638,89	638,89	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/12/2007	0,00	631,94	631,94	0,00	606,67	606,67	0,00	695,14	695,14	0,00	783,61	783,61
19/03/2008	0,00	631,94	631,94	0,00	606,67	606,67	0,00	695,14	695,14	0,00	783,61	783,61
19/06/2008	23.802,55	638,89	24.441,44	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/09/2008	21.579,29	486,82	22.066,11	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/12/2008	20.851,15	345,16	21.196,31	0,00	606,67	606,67	0,00	695,14	695,14	0,00	783,61	783,61
19/03/2009	19.812,44	211,04	20.023,48	0,00	600,00	600,00	0,00	687,50	687,50	0,00	775,00	775,00
19/06/2009	13.954,57	89,15	14.043,72	1.746,72	613,33	2.360,05	0,00	702,78	702,78	0,00	792,22	792,22
19/09/2009	0,00	0,00	0,00	6.608,18	602,62	7.210,80	0,00	702,78	702,78	0,00	792,22	792,22
19/12/2009	0,00	0,00	0,00	6.263,30	555,98	6.819,28	0,00	695,14	695,14	0,00	783,61	783,61
19/03/2010	0,00	0,00	0,00	5.700,04	512,29	6.212,33	0,00	687,50	687,50	0,00	775,00	775,00
19/06/2010	0,00	0,00	0,00	5.294,86	488,71	5.783,57	0,00	702,78	702,78	0,00	792,22	792,22
19/09/2010	0,00	0,00	0,00	5.092,82	456,24	5.549,06	0,00	702,78	702,78	0,00	792,22	792,22
19/12/2010	0,00	0,00	0,00	4.881,86	420,38	5.302,24	0,00	695,14	695,14	0,00	783,61	783,61
19/03/2011	0,00	0,00	0,00	4.086,77	386,47	4.473,24	6.344,70	687,50	7.032,20	6.344,70	775,00	7.119,70
19/06/2011	0,00	0,00	0,00	3.853,05	370,00	4.223,05	5.981,86	658,19	6.640,05	5.981,86	741,96	6.723,82
19/09/2011	0,00	0,00	0,00	3.690,30	346,36	4.036,67	5.729,20	616,15	6.345,35	5.729,20	694,57	6.423,77
19/12/2011	0,00	0,00	0,00	3.494,36	320,21	3.814,58	5.425,00	569,63	5.994,63	5.425,00	642,12	6.067,12
19/03/2012	0,00	0,00	0,00	3.307,70	299,01	3.606,71	5.135,20	531,91	5.667,12	5.135,20	599,61	5.734,81
19/06/2012	0,00	0,00	0,00	3.120,36	282,01	3.402,37	4.844,36	501,67	5.346,03	4.844,36	565,52	5.409,88
19/09/2012	0,00	0,00	0,00	2.974,71	262,87	3.237,58	4.618,23	467,63	5.085,86	4.618,23	527,14	5.145,37
19/12/2012	0,00	0,00	0,00	2.851,72	241,97	3.093,68	4.427,29	430,44	4.857,73	4.427,29	485,22	4.912,51
19/03/2013	0,00	0,00	0,00	2.743,86	222,20	2.966,06	4.259,84	395,27	4.655,11	4.259,84	445,58	4.705,42
19/06/2013	0,00	0,00	0,00	2.605,64	210,31	2.815,95	4.045,26	374,12	4.419,38	4.045,26	421,73	4.466,99

19/09/2013	0,00	0,00	0,00	2.486,48	194,33	2.680,81	3.860,26	345,69	4.205,95	3.860,26	389,69	4.249,95
19/12/2013	0,00	0,00	0,00	2.369,30	177,13	2.546,43	3.678,34	315,10	3.993,44	3.678,34	355,20	4.033,55
19/03/2014	0,00	0,00	0,00	2.262,77	160,97	2.423,74	3.512,96	286,35	3.799,30	3.512,96	322,79	3.835,75
19/06/2014	0,00	0,00	0,00	2.126,82	150,67	2.277,49	3.301,89	268,02	3.569,92	3.301,89	302,13	3.604,03
19/09/2014	0,00	0,00	0,00	1.977,14	137,62	2.114,76	3.069,51	244,82	3.314,33	3.069,51	275,98	3.345,48
19/12/2014	0,00	0,00	0,00	1.849,06	124,13	1.973,20	2.870,67	220,82	3.091,49	2.870,67	248,92	3.119,60
19/03/2015	0,00	0,00	0,00	1.722,58	111,67	1.834,26	2.674,31	198,66	2.872,97	2.674,31	223,94	2.898,25
19/06/2015	0,00	0,00	0,00	1.586,92	103,59	1.690,51	2.463,69	184,28	2.647,96	2.463,69	207,73	2.671,42
19/09/2015	0,00	0,00	0,00	1.497,19	93,86	1.591,05	2.324,39	166,96	2.491,35	2.324,39	188,21	2.512,60
19/12/2015	0,00	0,00	0,00	1.396,97	83,75	1.480,72	2.168,79	148,99	2.317,78	2.168,79	167,95	2.336,74
19/03/2016	0,00	0,00	0,00	1.282,06	75,28	1.357,33	1.990,39	133,91	2.124,30	1.990,39	150,96	2.141,35
19/06/2016	0,00	0,00	0,00	11.126,47	68,24	11.194,71	17.273,84	121,40	17.395,24	17.273,84	136,85	17.410,69
Total	100.000	7.563	107.563	100.000	16.066	116.066	100.000	21.915	121.915	100.000	24.703	124.703

FLOWS FOR EACH BOND WITHOUT RETENTION FOR THE SUBSCRIBER, IRR = 0% (in euros)												
Payment Date	Series A(S)			Series A(G)			Series B			Series C		
	Amort.	Gross	Total	Amort.	Gross	Total	Amort.	Gross	Total	Amort.	Gross	Total
	Princ.	Inter.	Total	Princ.	Inter.	Total	Princ.	Inter.	Total	Princ.	Inter.	Total
19/03/2006	0,00	715,70	715,70	0,00	687,37	687,37	0,00	786,53	786,53	0,00	885,70	885,70
19/06/2006	0,00	638,89	638,89	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/09/2006	0,00	638,89	638,89	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/12/2006	0,00	631,94	631,94	0,00	606,67	606,67	0,00	695,14	695,14	0,00	783,61	783,61
19/03/2007	0,00	625,00	625,00	0,00	600,00	600,00	0,00	687,50	687,50	0,00	775,00	775,00
19/06/2007	0,00	638,89	638,89	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/09/2007	0,00	638,89	638,89	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/12/2007	0,00	631,94	631,94	0,00	606,67	606,67	0,00	695,14	695,14	0,00	783,61	783,61
19/03/2008	0,00	631,94	631,94	0,00	606,67	606,67	0,00	695,14	695,14	0,00	783,61	783,61
19/06/2008	28.744,93	638,89	29.383,82	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/09/2008	26.155,42	455,24	26.610,66	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/12/2008	25.094,02	285,00	25.379,03	0,00	606,67	606,67	0,00	695,14	695,14	0,00	783,61	783,61
19/03/2009	20.005,63	125,04	20.130,67	1.391,17	600,00	1.991,17	0,00	687,50	687,50	0,00	775,00	775,00
19/06/2009	0,00	0,00	0,00	8.301,85	604,80	8.906,65	0,00	702,78	702,78	0,00	792,22	792,22
19/09/2009	0,00	0,00	0,00	7.852,83	553,88	8.406,72	0,00	702,78	702,78	0,00	792,22	792,22

19/12/2009	0,00	0,00	0,00	7.407,90	500,22	7.908,12	0,00	695,14	695,14	0,00	783,61	783,61
19/03/2010	0,00	0,00	0,00	6.750,25	450,28	7.200,53	0,00	687,50	687,50	0,00	775,00	775,00
19/06/2010	0,00	0,00	0,00	6.259,06	418,88	6.677,94	0,00	702,78	702,78	0,00	792,22	792,22
19/09/2010	0,00	0,00	0,00	5.341,92	380,49	5.722,41	8.610,87	702,78	9.313,65	8.610,87	792,22	9.403,09
19/12/2010	0,00	0,00	0,00	5.085,32	343,95	5.429,27	8.197,25	635,28	8.832,53	8.197,25	716,14	8.913,39
19/03/2011	0,00	0,00	0,00	4.728,33	309,66	5.037,99	7.621,80	571,94	8.193,74	7.621,80	644,74	8.266,53
19/06/2011	0,00	0,00	0,00	4.435,28	287,54	4.722,82	7.149,43	531,09	7.680,52	7.149,43	598,68	7.748,11
19/09/2011	0,00	0,00	0,00	4.216,66	260,34	4.477,00	6.797,02	480,85	7.277,87	6.797,02	542,04	7.339,06
19/12/2011	0,00	0,00	0,00	3.967,76	231,93	4.199,69	6.395,81	428,37	6.824,18	6.395,81	482,89	6.878,70
19/03/2012	0,00	0,00	0,00	3.731,27	207,85	3.939,13	6.014,60	383,91	6.398,51	6.014,60	432,77	6.447,37
19/06/2012	0,00	0,00	0,00	3.497,13	187,25	3.684,38	5.637,17	345,86	5.983,03	5.637,17	389,88	6.027,05
19/09/2012	0,00	0,00	0,00	3.307,49	165,80	3.473,29	5.331,48	306,24	5.637,73	5.331,48	345,22	5.676,70
19/12/2012	0,00	0,00	0,00	3.142,84	143,94	3.286,77	5.066,08	265,85	5.331,93	5.066,08	299,69	5.365,77
19/03/2013	0,00	0,00	0,00	2.995,36	123,50	3.118,86	4.828,35	228,10	5.056,45	4.828,35	257,13	5.085,48
19/06/2013	0,00	0,00	0,00	2.819,52	107,87	2.927,39	4.544,90	199,24	4.744,14	4.544,90	224,60	4.769,50
19/09/2013	0,00	0,00	0,00	2.664,90	90,58	2.755,48	4.295,67	167,30	4.462,97	4.295,67	188,59	4.484,26
19/12/2013	0,00	0,00	0,00	2.514,23	73,43	2.587,65	4.052,79	135,62	4.188,41	4.052,79	152,88	4.205,67
19/03/2014	0,00	0,00	0,00	9.588,91	57,53	9.646,44	15.456,78	106,27	15.563,04	15.456,78	119,79	15.576,57
Total	100.000	7.296	107.296	100.000	13.494	113.494	100.000	18.138	118.138	100.000	20.446	120.446

FLOWS FOR EACH BOND WITHOUT RETENTION FOR THE SUBSCRIBER, IRR = 10% (in euros)												
Payment Date	Series A(S)			Series A(G)			Series B			Series C		
	Amort.	Gross	Total	Amort.	Gross	Total	Amort.	Gross	Total	Amort.	Gross	Total
	Princ.	Inter.	Total	Princ.	Inter.	Total	Princ.	Inter.	Total	Princ.	Inter.	Total
19/03/2006	0,00	715,70	715,70	0,00	687,37	687,37	0,00	786,53	786,53	0,00	885,70	885,70
19/06/2006	0,00	638,89	638,89	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/09/2006	0,00	638,89	638,89	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/12/2006	0,00	631,94	631,94	0,00	606,67	606,67	0,00	695,14	695,14	0,00	783,61	783,61
19/03/2007	0,00	625,00	625,00	0,00	600,00	600,00	0,00	687,50	687,50	0,00	775,00	775,00
19/06/2007	0,00	638,89	638,89	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/09/2007	0,00	638,89	638,89	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/12/2007	0,00	631,94	631,94	0,00	606,67	606,67	0,00	695,14	695,14	0,00	783,61	783,61
19/03/2008	0,00	631,94	631,94	0,00	606,67	606,67	0,00	695,14	695,14	0,00	783,61	783,61

19/06/2008	33.886,43	638,89	34.525,32	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/09/2008	30.782,26	422,39	31.204,65	0,00	613,33	613,33	0,00	702,78	702,78	0,00	792,22	792,22
19/12/2008	29.253,89	223,27	29.477,17	0,00	606,67	606,67	0,00	695,14	695,14	0,00	783,61	783,61
19/03/2009	6.077,42	37,98	6.115,40	7.973,18	600,00	8.573,18	0,00	687,50	687,50	0,00	775,00	775,00
19/06/2009	0,00	0,00	0,00	9.535,58	564,43	10.100,01	0,00	702,78	702,78	0,00	792,22	792,22
19/09/2009	0,00	0,00	0,00	8.944,46	505,95	9.450,40	0,00	702,78	702,78	0,00	792,22	792,22
19/12/2009	0,00	0,00	0,00	8.367,06	446,18	8.813,24	0,00	695,14	695,14	0,00	783,61	783,61
19/03/2010	0,00	0,00	0,00	7.586,28	391,08	7.977,36	0,00	687,50	687,50	0,00	775,00	775,00
19/06/2010	0,00	0,00	0,00	6.190,76	353,24	6.544,00	10.749,08	702,78	11.451,86	10.749,08	792,22	11.541,30
19/09/2010	0,00	0,00	0,00	5.850,73	315,27	6.166,00	10.158,68	627,24	10.785,91	10.158,68	707,07	10.865,74
19/12/2010	0,00	0,00	0,00	5.511,64	276,35	5.787,99	9.569,90	549,80	10.119,70	9.569,90	619,78	10.189,68
19/03/2011	0,00	0,00	0,00	5.078,53	240,24	5.318,77	8.817,90	477,97	9.295,87	8.817,90	538,80	9.356,70
19/06/2011	0,00	0,00	0,00	4.715,60	214,43	4.930,04	8.187,74	426,62	8.614,36	8.187,74	480,91	8.668,66
19/09/2011	0,00	0,00	0,00	4.432,23	185,51	4.617,74	7.695,71	369,08	8.064,79	7.695,71	416,05	8.111,76
19/12/2011	0,00	0,00	0,00	4.123,42	156,60	4.280,02	7.159,53	311,57	7.471,10	7.159,53	351,22	7.510,75
19/03/2012	0,00	0,00	0,00	3.831,80	131,59	3.963,39	6.653,19	261,80	6.914,99	6.653,19	295,12	6.948,31
19/06/2012	0,00	0,00	0,00	3.547,11	109,53	3.656,64	6.158,87	217,92	6.376,79	6.158,87	245,65	6.404,53
19/09/2012	0,00	0,00	0,00	3.310,99	87,78	3.398,77	5.748,90	174,64	5.923,54	5.748,90	196,86	5.945,77
19/12/2012	0,00	0,00	0,00	3.103,41	66,74	3.170,14	5.388,47	132,77	5.521,25	5.388,47	149,67	5.538,15
19/03/2013	0,00	0,00	0,00	7.897,22	47,38	7.944,60	13.712,01	94,27	13.806,28	13.712,01	106,27	13.818,28
Total	100.000	7.115	107.115	100.000	12.086	112.086	100.000	16.293	116.293	100.000	18.366	118.366

4.11 REPRESENTATION OF THE BONDHOLDERS.

For the securities included in this Bond Issue, a Syndicate of Bondholders will not be formed.

Under the terms provided for in Article 12 of Royal Decree 926/1998, it corresponds to the Fund Manager, in its capacity as a manager of the businesses of third parties, to represent and defend the interests of the holders of the Bonds issued against the Fund and of all other ordinary creditors of the Fund. Consequently, the Fund Manager shall subordinate its actions to the defence of those interests in accordance with the provisions that may be in force at any given time.

4.12 RESOLUTIONS, AUTHORISATIONS AND APPROVALS FOR ISSUING THE SECURITIES.

a) Company Resolutions.

Resolution for formation of the Fund, assignment of the Loans and Initial Draw-downs and Bond issue:

The Board of Directors of GestiCaixa, SGFT, S.A. in its meeting held on 21 November 2005, resolved the following:

- i) The formation of GC FTPYME SABADELL 1, FTA in accordance with the legal regime established by Royal Decree 926/1998; by Law 19/1992 wherever Royal Decree 926/1998 may be silent and to the extent that it may be applicable; and in all other current legal provisions and regulations in force that may be applicable at any time.
- ii) The pooling into the Fund of Initial Credit Rights and Additional Credit Rights derived from financial leases assigned by Banco de Sabadell, S.A. to non-financial businesses or business entrepreneurs based in Catalunya .
- iii) The issue of the Notes against the fund.

Loans Assignment Agreement:

The Board of Directors of Banco de Sabadell, S.A., in its meeting held on 29 September 2005, resolved to authorise the assignment of the Mortgage Loans by means of the issue of mortgage transfer certificates and the assignment of Non-mortgage Loans for their pooling into the Fund.

b) Registration by the CNMV.

The prerequisite for the formation of the Fund and the Bond issue is the recording in the Official Registers of the CNMV of this Prospectus and all other accrediting documents, in accordance with the provisions in Article 5.1.e) of Royal Decree 926/1998.

This Prospectus of formation of the Fund and issue of the Bonds was filed with the official registers of the CNMV on 1 December 2005.

c) Granting of the public deed of formation of the Fund.

Once this Prospectus has been registered by the CNMV, the Fund Manager, together with Banco de Sabadell, S.A., as the Assignor of the Loans, shall proceed on 2 December 2005 to execute the public deed of formation of GC FTPYME SABADELL 1 ASSET SECURITISATION FUND by virtue of the Resolution of Banco Sabadell, S.A., dated 29 September 2005 and the Resolution of the Board of Directors of the Fund Manager dated 21 September 2005, under the terms provided for in Article 6 of Royal Decree 926/1998.

The Fund Manager hereby states that the content of the Deed of Formation shall coincide with the preliminary draft of the Deed of Formation that it delivered to the CNMV, and in no case do the terms of the Deed of Formation contradict, modify, alter or invalidate the provisions contained in this Prospectus.

The Fund Manager shall send a copy of the Deed of Formation to the CNMV for its incorporation into the Official Registries, prior to the start of the Subscription Period of the Bonds.

4.13 ISSUE DATE OF THE SECURITIES.

The securities will be issued on the date that the Deed of Formation is executed, on 2 December 2005.

The Disbursement Date of the securities will be 7 December 2005.

4.13.1. Collective of potential qualified investors

The brokerage, distribution and trading of the Issue is directed at qualified investors.

Once the Issue has been placed in full and the Bonds are admitted to trading on the Barcelona Stock Exchange, the Bonds may be freely acquired through said market in accordance with its own trading rules.

Effects of the subscription for the holders of the Bonds: The subscription of the Bonds implies acceptance of the terms of the deed of formation for each Bondholder.

4.13.2. Subscription period.

The Subscription Period shall begin at 10:00 AM on 16 November 2005, the Business Day prior to the Disbursement Date, and shall end at 1:00 PM on that same day.

4.13.3. Where and before whom the subscription can be transacted.

Subscription requests shall be made during the Subscription Period before the entities stated in section 5.2 of the Registration Document and in accordance with the following procedure: the subscription to or the holding of one Series does not mean the subscription to or holding of another Series.

4.13.4 Brokerage and Allocation of the Bonds.

The Underwriting Entities shall freely proceed with the acceptance or not of the subscription requests received, ensuring in all cases that there is no discriminatory treatment among requests with similar characteristics. Nevertheless, the Underwriting Entities may give priority to the requests of those clients that it may deem most appropriate or beneficial.

Each Underwriting Entity undertakes to subscribe in its own name, at the end of the subscription period, the amount of Bonds necessary to complete the amount of its underwriting commitment as determined in the Management and Underwriting and Brokerage Contract of the Bond Issue.

4.13.5 Form and Date of disbursement

On the Disbursement Date, each Underwriting Entity shall pay its respective underwritten amount into the account opened on behalf of the Fund at the Payment Agent, effective that same day before 10:15 AM.

The investors to whom the Bonds had been allocated shall pay the Underwriting Entities, before 10:00 AM, Madrid time, on the Disbursement date, effective on that same day, the corresponding issue price for each awarded Bond.

The Disbursement Date shall be 7 December 2005.

4.14 RESTRICTIONS ON THE FREE TRANSFERABILITY OF THE SECURITIES.

The Bonds may be freely transferred by any lawful means. Title over each Bond will be transmitted by accounting transfer. The recording in the accounting registry of the transfer in favour of the acquiring party shall have the same effects as the transfer of title, and as from that moment the transfer may be effective against third parties. In this sense, the third party purchaser by onerous title of the Bonds represented by book entries in the name of a person that, according to the records of the accounting registry, is entitled to transfer them, will not be subject to replevy, except in the case where such third party may have acted in bad faith or tortuously.

5. RESOLUTIONS OF ADMISSION TO TRADING AND NEGOTIATION

5.1. MARKET IN WHICH THE SECURITIES WILL BE TRADED.

The Fund Manager shall request, immediately on the Disbursement Date, the admission to trading of the Bond Issue on the Barcelona Stock Exchange. Likewise, the Fund Manager shall request, on behalf of and representing the Fund, the inclusion of the Issue in the SCLBARNA created by means of Decree 171/1992, of 4 August, of the Generalitat of Catalonia, by virtue of the provisions in the Securities Market Act and by virtue of the competencies in this regard given by the Statute of Autonomy to the Generalitat of Catalonia, such that the Bonds are compensated and liquidated.

The Fund Manager undertakes to have concluded the admission of the Bonds on the Barcelona Stock Exchange within the term of thirty days as from the Disbursement Date once the corresponding authorisations are obtained.

To the extent that the Bonds issued will be allowed to trade on the Barcelona Stock Exchange and if a minimum number of subscribers is required, the Management Entities will sign a consideration agreement in the habitual terms of this type of operation.

The Fund manager expressly states that the requirements and conditions demanded for the admission, permanence and exclusion of the securities in the Barcelona Stock Exchange are understood, pursuant to current legislation, and the Fund Manager, as regards the Fund, agrees to comply with the same.

In the event of a breach in the aforementioned period of admission of the Bonds to trading, the Fund Manager hereby undertakes to publish the opportune Relevant Fact at the CNMV and in the Official Daily Gazette of the Barcelona Stock Exchange or through any other means that are generally accepted by the market and which guarantee adequate dissemination of the information in time and content. Said information shall contain both the causes for said breach as well as the anticipated new date for the entry to trading of the issued securities. This is without prejudice to the liability of the Fund Manager if the breach is attributable to the same.

Likewise, the Fund Manager shall apply for inclusion of the issued Bonds in SCLBARNA in a manner that provides for the compensation and settlement of the Bonds in accordance with the operating rules which, with regard to the securities admitted to trading on the Barcelona Stock Exchange and represented by book entries, are set forth or may be approved in the future by SCLBARNA.

5.2 PAYMENT AGENT

Name and address of any paying agent and of the deposit agents in each country.

The financial servicing of the Bond issue shall be carried out through Banco de Sabadell, S.A., the entity which shall be designated as the Payment Agent. All payments to be made by the Fund to the Bondholders shall be made through the Payment Agent.

The Fund Manager, on behalf of and representing the Fund, and Banco de Sabadell, S.A. shall enter into the Payment Agency Contract on the day when the Deed of Formation is executed.

The obligations assumed by the Payment Agent under this Contract are summarised below:

- (i) Before 1100 hours (CET) on the Disbursement Date, it shall pay into the Fund, by means of a deposit into the Treasury Account, the total amount of the subscriptions of the Bond Issue which, under the Management, Underwriting and Brokerage Contract, are paid to it by the rest of the Underwriting and Brokerage Entities, plus the nominal amount of the Bonds it may have placed and those subscribed by Banco de Sabadell, S.A. on its own behalf, if applicable, up to the limit of its underwriting commitment.
- (ii) On the Disbursement Date it will pay each one of the Underwriting Entities their underwriting and brokerage commissions after they have paid the nominal amounts of the Bonds placed or subscribed by each one

of them, up to the limit of their respective underwriting and brokerage commitments.

- (iii) On each of the Payment Dates of the Bonds, it shall pay the interest and redemption of the principal of the Bonds, after deducting the total amount of the tax withholding on account for the income from capital gains that, if applicable, may have to be made in accordance with the applicable tax legislation.

In consideration for the services to be provided by the Payment Agent, the Fund will pay to the same on each Payment Date during the life of the contract a fee equal to 0.01%, including taxes, if applicable, on the gross amount of the interest paid to the Bondholders on each Payment Date, to be paid on the same Payment Date, provided that the Fund has sufficient liquidity according to the Payment Priority Order established in section 3.4.6 of the Supplemental Addendum.

Should the Fund not have sufficient liquidity to pay the entire mentioned fee, the unpaid amounts will be accumulated, without penalty, together with the fee corresponding to the following Payment Date, unless such lack of liquidity situation remains, in which case the amounts due will continue to accumulate until the Payment Date on which such situation has ceased.

The Payment Agency Contract will be terminated for all legal purposes in the event that the Ratings Agencies did not confirm as final before the start of the Subscription Period, the ratings assigned on a provisional basis to each of the classes of Bonds, or in the event of the termination of the Management, Underwriting and Brokerage Contract of the Bond Issue.

Substitution of the Payment Agent

The Fund Manager is authorised to replace the Payment Agent (in each and every one of its functions), as long as it may be permitted by legislation in force and authorisation is obtained from the competent authorities, if necessary. The substitution shall be communicated to the CNMV, to the Ratings Agency and to the Assignor.

In the event that the rating of the Payment Agent given by the Ratings Agencies for its short-term risk were reduced to a rating below P-1, in the case of Moody's, or below F-1, in the case of Fitch, the Fund Manager shall, on behalf of the Fund and within 30 days following such a reduction and subject to prior communication to the Ratings Agencies, put into practice the necessary options among those described below that allow maintaining an adequate level of guaranty with respect to the commitments derived from the functions contained in the Payment Agency Contract and so that the rating given to the Bonds by the Ratings Agencies is not jeopardised.

- (i) Obtain similar guaranties or commitments from a credit entity or entities with a rating of not less than F-1 granted by Fitch, or another one explicitly recognised by the Ratings Agency, which guarantee the commitments assumed by the Payment Agent.
- (ii) Replace the Financial Agent by an entity with a rating of not less than F-1 given by Fitch, or another one explicitly recognised by the Ratings Agency , so that it may assume, under the same conditions, the functions of the affected entity established in its respective contract.

If Banco de Sabadell, S.A. were replaced as the Payment Agent, the Fund Manager shall be entitled to modify the commission paid to the replacement agent, which could be higher than that paid to Banco de Sabadell, S.A. under the Contract.

Likewise, the Payment Agent may consider the Payment Agency Contract to be terminated, subject to prior notification to the Fund Manager a minimum of two months in advance, in accordance with the terms set forth in the Payment Agency Contract, and as long as (i) another entity with financial characteristics similar to Banco Sabadell and with a short-term credit rating at least F-1, or another one explicitly recognised by the Ratings Agencies, accepted by the Fund Manager, replaces Banco de Sabadell, S.A. in the functions assumed by the Financial Agency contract, (ii) the CNMV and the Ratings Agencies are notified, and (iii) the rating given to the Bonds by the Ratings Agencies is not jeopardised. Moreover, termination may not occur, unless authorised by the Fund Manager, until day 20 of the month following the month of the Payment Date following the

notification of termination. In the event of substitution caused by the relinquishment of the replaced entity, all costs derived from the substitution process shall be paid for by the latter. The administrative and management costs derived from the process of replacing the Payment Agent as a result of the loss of a rating shall be payable by the Payment Agent that is replaced.

Publication of the amounts to be paid and establishments through which the financial service of the issue will be handled. The payment of interest and amortisations shall be announced using the channels generally accepted by the market (Barcelona Stock Exchange, SCLBARNA) that guarantee adequate publication of the information in time and content.

Notification Dates of the payments to be made by the Fund on each Payment Date: they shall be 18 March, June, September and December of every year, or the immediately following Business Day in the event that any of the said days were not.

The periodic information to be provided by the Fund is described in section 4.1 of the Supplemental Addendum.

6. EXPENSES OF THE OFFER AND OF THE ADMISSION TO TRADING

The forecasted initial expenses are the following:

Formation expenses	Euros
CNMV fees (of the total Issue 0.14%)	39.033
Fees of the Generalitat of Catalonia	15.000,00
:(VAT + 2900)Rates of the Barcelona Stock Exchange	3.364,00
:(VAT +euros per Bond Class 500)SCLBARNA Rates	2.320,00
:Rating Agency	121.800,00
(VAT 16% + €18,000)Audit	20.880,00
Legal advising, printing, notaries and initial commission of the :Fund Manager	137.603
Subtotal	Euros340.000
2) Issue expenses	100.000
Underwriting Commissions	100.000
GENERAL TOTAL	440.000

Costs incurred due to settlement of the Fund shall be payable by the Fund.

7. ADDITIONAL INFORMATION

7.1. DECLARATION OF THE CAPACITY WHEREBY THE ADVISORS RELATED TO THE ISSUE HAVE ACTED, WHO ARE MENTIONED IN THE PROSPECTUS SCHEDULE.

Cuatrecasas has provided the legal advising for the formation of the Fund and the Bond Issue and has revised the statements pertaining to the tax handling of the Fund, which are contained in section 4.5.1 of the Registration Document.

7.2. OTHER INFORMATION OF THE PROSPECTUS SCHEDULE THAT HAS BEEN AUDITED OR REVISED BY AUDITORS.

Not applicable.

7.3. DECLARATION OR REPORT ATTRIBUTED TO A PERSON IN THE CAPACITY OF AN EXPERT.

Ernst & Young was the auditor of a series of attributes of the Loans selected under the terms of section 2.2 of the Supplemental Addendum.

7.4. INFORMATION COMING FROM THIRD PARTIES.

The Fund Manager, within its verification duties established in this Prospectus, has received confirmation from Banco de Sabadell, S.A. with respect to the authenticity of the Assignor's characteristics, as well as that of the Credit Rights described in section 2.2.8 of the Supplemental Addendum, as well as the rest of the Assignor's information included in this Prospectus

The Fund Manager has accurately reproduced the information received from Banco de Sabadell, S.A. and, to the best of their knowledge, may confirm from said information received from Banco de Sabadell, S.A. that no fact which may render this information incorrect or misleading, has been omitted and this Prospectus does not omit significant facts or data which may be significant for the investor.

7.5. SOLVENCY RATING ASSIGNED TO THE SECURITIES BY THE RATINGS AGENCIES.

Degrees of solvency assigned to an issuer or to his obligations upon request or with the co-operation of the issuer in the ratings process.

The Fund Manager, acting as the founder and legal representative of the Fund, and the Assignor, acting as the assignor of the Credit Rights, have resolved to request ratings from the Ratings Agencies for each one of the Classes of Bonds, pursuant to the provisions in Article five of Royal Decree 926/1998, of 14 May.

On the registration date of this Prospectus Schedule, the following preliminary ratings are determined for the Bonds:

Class B	Rating Fitch
Series A(S)	AAA
Series A(G)	AAA
Series B	A
Series C	BBB

The AAA rating of the A(G) series is original prior to the State Guarantee.

Series A(G) shall have a Guarantee from the Generalitat of Catalonia.

The task entrusted to the Rating Agencies consists of appraising the bonds and the ratings of the same.

A rating, by definition, is the opinion of the Rating Agencies about the level of credit risk (arrears in payment and defaults) associated with the Bonds. In the event that any of the aforementioned provisional ratings given by the Ratings Agencies may not be confirmed before the start of the Subscription period of the Bonds, the formation of the Fund and the Bond Issue shall be considered terminated.

The ratings assigned, as well as any revision or suspension of the same:

- (i) are formulated by the Rating Agencies based on wide-ranging information received by them. They do not guarantee the accuracy of this information or that it is complete, wherefore they cannot be held liable for the same under any circumstance;
- (ii) and they do not constitute and in no way could they be interpreted as an invitation, recommendation or incentive directed at investors so that they proceed to carry out any operation with the Bonds and, in particular, to acquire, keep, encumber or sell these Bonds.

The ratings assigned by Fitch to the risk are opinions about the capacity of the Fund to comply with the timely payment of interest on each planned payment date and the redemption of the principal throughout the life of the operation and on any other date before 28 November 2023.

The ratings by Moody's and Fitch take into account the structure of the Bond issue, its legal aspects and the aspects of the Fund that issues them, the characteristics of the assets and the regularity and continuity of the flows of the operation.

The ratings can be revised, suspended or withdrawn at any time by the Rating Agencies according to any information of which they may become aware. These situations, which do not constitute events of prepayment of the Fund, shall be immediately reported to both the CNMV and to the bondholders. In order to carry out the rating process and follow-up procedure, the ratings agencies rely on the accuracy and completeness of the information provided by the Fund Manager, the auditors, the legal advisers and other experts. The Fund Manager,

in representation of the Fund, undertakes to provide the Ratings Agencies with periodic information about the status of the Fund and of the Loans. It shall likewise provide said information whenever reasonably requested to do so and in any case, whenever there may be a modification to the conditions of the fund or to the contracts approved through the Fund Manager or to the interested parties. The Fund Manager shall make the utmost effort to maintain the ratings of the Bonds at its initial level and, in the event that the said rating dropped, to recover it.

The rating scales used by Fitch for long-term and short-term debt issues are the following:

Long term	Short term
AAA	F-1+
AA	F-1
A	F-2
BBB	F-3
BB	B
B	B
CCC	C
CC	C
C	C
DDD	D
DD	D
D	D

Fitch may add “+” or “-” to a rating to indicate a relative position within the rating categories. However, they cannot be added to long-term rating category “AAA”, to categories lower than “CCC” or to short-term ratings other than F-1.

Supplemental Addendum to the Prospectus Schedule

**(Schedule VIII of (EC) Commission Regulation Number 809/2004 of 29 April
2004)**

1. SECURITIES

1.1 MINIMUM DENOMINATION OF THE ISSUE

“GC FTGENCAT SABADELL 1, ASSET SECURITISATION FUND” (hereinafter, referred to interchangeably as the “*Fund*” or the “*Issuer*”), represented by GESTICAIXA, SGFT, S.A. (hereinafter, the “*Fund Manager*”) shall be set up with the credit rights (as defined below) assigned to it by Banco de Sabadell, S.A. (hereinafter, “*Banco Sabadell*” or the “*Assignor*” interchangeably) at the time of formation, whose maximum total principal or capital will be the amount equal to or which comes as close as possible, by default, to five hundred million euros (500,000,000 euros).

1.2 CONFIRMATION THAT THE INFORMATION ON A COMPANY OR DEBTOR NOT PARTICIPATING IN THE ISSUE HAS BEEN REPRODUCED.

N/A.

2. UNDERLYING ASSETS

2.1 CONFIRMATION OF THE ABILITY OF THE SECURITISED ASSETS TO PRODUCE FUNDS PAYABLE ON THE SECURITIES.

The Fund Manager confirms that the principal and interest generated by the securitised assets will make it possible, pursuant to the contractual characteristics, to satisfy the payments due and payable on the bonds issued.

However, in order to cover possible non-payment by debtors (as defined below) of the securitised assets, a series of credit-improving operations has been arranged in accordance with the applicable regulations to augment the security or regularity in the payment of the Bonds and to mitigate or neutralise differences in the interest rates on the assets and the Bonds in each series. Even so, under exceptional circumstances the credit-improving operations could turn out to be insufficient. The credit-improving operations are described in part 3.4.2. of this Supplemental Addendum.

Not all of the Bonds issued have the same risk of non-payment, as reflected in the credit ratings assigned by Fitch Ratings España, S.A. (hereinafter, either "*Fitch*" or the "*Rating Agency*") to the Bonds in each one of the Series detailed in part 7.5. of the Prospectus Schedule.

If i) in the opinion of the Fund Manager, the existence of circumstances of any nature were to lead to a substantial alteration or permanent distortion or were to make it impossible or extremely difficult to maintain the equity balance of the Fund or ii) if a non-payment indicative of a serious and permanent imbalance in relation to the Bonds were to occur or if it were expected to occur, the Fund Manager could proceed with the Early Settlement of the Fund and the Early Redemption of the Bond Issue in the terms set forth in section 4.3. of the Registration Document.

2.2 ASSETS SUPPORTING THE BOND ISSUE

The credit rights that are shown in the assets of Banco de Sabadell, S.A. (hereinafter, the "*Credit Rights*" or "*Assets*") are derived from financial leasing operations or both real estate leasing (hereinafter, "*Real Estate Leasing*") and personal property leasing (hereinafter, "*Personal Property Leasing*"), hereinafter, together with Real Estate Leasing, "*Financial Leasing*") granted by Banco de Sabadell, S.A. to finance non-financial Catalan entrepreneurs or businesses (hereinafter, the "*Debtors*"), at least 80% of which are small and medium enterprises (hereinafter, "*SMEs*") according to the definition contained in the Recommendation of the European Commission of 6 May 2003 (2003/361/CE), pursuant to the provisions of Resolution EFC/2186/2005 of 16 June, which approved the conditions and documentation for obtaining the Generalitat's Guarantee de Catalunya foreseen in article 29.14 of Law 11/2004 of 27 December (hereinafter, the "*Resolution*"), whose characteristics are described in the course of this document.

Moreover, the Credit Rights may be initial credit rights, that is to say, those Credit Rights that will be assigned by Banco de Sabadell, S.A. and acquired by the Fund when it is formed (hereinafter, either the "*Initial Credit Rights*" or "*Initial Assets*") or additional credit rights, that is to say, those Credit Rights that will be assigned by Banco de Sabadell, S.A. and acquired by the Fund after this

has been formed (hereinafter, either the “*Additional Credit Rights*” or “*Additional Assets*”).

For the purposes of the above, the purpose of a financial lease agreement is to enable the obtainment of the immediate assignment of a personal property (in the case of a financial lease on personal property) or real property (in the case of a financial lease on real property) thanks to the financing provided by the financial lender in exchange for a consideration consisting of the periodic repayment of the principal and finance charges, all without prejudice to the possibility of exercising the purchase option included in the user’s name, which may be exercised at the end of the contractual relationship and the value of which is that of the last instalment payment.

Audit of the Assets Securitised in the Fund

The Initial Assets were audited on 25 November 2005 by the firm Ernst & Young for Banco de Sabadell, S.A., with its registered offices in Plaza Pablo Ruiz Picasso – Ed. Torre Picasso, 1, 28020 Madrid CIF B-78970506 and registered in the Official Registry of Accounts Auditors under number S0530 in compliance with the provisions of article five of Royal Decree 926/1998 of 14 May.

The Audit Report has been produced using sampling techniques, which constitute a generally accepted method for the verification of the registries that an entity maintains in relation with a group of entries (“population”), and allows the extraction of a conclusion about the said population by means of the analysis of a number of entries (“samples”) smaller than the total group. The reliability level indicates the probability that the real number of entries with deviations from a rule existing in a population does not exceed a previously determined limit (“precision”). The chosen sample size and level of confidence determine that the non-existence of errors in the sample corresponds with a maximum of inferred errors for the population, always different than zero. The verification discusses a series of attributes, both quantitative and qualitative, about the operations of the sample, and specifically about the following: the identification of the assigned debtor, the nature of the assigned debtor, the transfer of the assets, SME accreditation, date of formalisation, date of maturity, residual life, reference interest rate, applied interest rate, interest rate differential, initial value, outstanding balance, payment delays, assignor with full domain over the leasing

operations, bankruptcy status, formalisation of the lease, classification of the operation and ownership of the leased assets.

The Credit Rights selected with errors detected in the verification of the sample will not be assigned to the Fund.

The Additional Assets shall be audited once a year.

2.2.1 Legislation governing the securitised assets.

The Assets are governed by Spanish law.

2.2.2. Description of the general characteristics of the debtors and the economic environment, as well as the overall statistics on the securitised assets.

The Debtors of the Credit Rights are non-financial Catalan entrepreneurs and enterprises, at least 80% of which are small and medium enterprises that comply with the European Commission Recommendation 2003/361/CE of 6 May 2003 on the definition of small and medium enterprises (hereinafter, “SMEs ” or “SME” in the singular).

a) Table showing the ten highest debtors with respect to the selected Initial Assets

The following chart shows the concentration of the ten biggest debtors with respect to the Initial Assets selected on 14 November 2005.

Portfolio of Initial Assets on 14 November 2005				
Classification by biggest debtors				
Debtor	Initial Assets		Outstanding Principal	
	Number	%	(euros)	%
Debtor 1	4	0,11 %	5.846.417,05	1,02 %
Debtor 2	2	0,05 %	5.840.848,33	1,02 %
Debtor 3	1	0,03 %	4.548.350,68	0,79 %
Debtor 4	4	0,11 %	4.500.911,10	0,78 %
Debtor 5	5	0,13 %	4.489.295,53	0,78 %
Debtor 6	2	0,05 %	3.507.985,80	0,61 %
Debtor 7	1	0,03 %	3.281.196,27	0,57 %
Debtor 8	1	0,03 %	3.054.640,50	0,53 %
Debtor 9	2	0,05 %	3.022.092,08	0,53 %
Debtor 10	2	0,05 %	2.939.165,96	0,51 %
Rest	3.749	99,36 %	532.875.682,13	92,85 %
Total portfolio	3.773	100,00 %	573.906.585,43	100,00 %

b) Information on the economic activity of the Debtors by economic activity sector, according to the codes of the Spanish National Economic Activities Classification (CNAE).

The following table shows the breakdown of the selected Initial Assets according to the CNAE codes of the debtors' business activities.

Portfolio of Initial Assets on 14 November 2005					
Classification by industry					
CNAE		Initial Assets		Outstanding Principal	
		Number	%	(euros)	%
01	Agriculture, livestock and game	24	0,64 %	1.527.438,60	0,27 %
02	Forestry management and timber farming	1	0,03 %	31.856,01	0,01 %
05	Fishing and aquaculture	2	0,05 %	66.510,45	0,01 %
10	Mining: anthracite, coal, lignite and peat	2	0,05 %	75.819,67	0,01 %
13	Mining of iron minerals	6	0,16 %	1.715.097,98	0,30 %
14	Mining of non-metallic minerals	21	0,56 %	1.644.802,35	0,29 %
15	Food products industry	82	2,17 %	8.512.938,83	1,48 %
17	Textile manufacturing	84	2,23 %	14.556.888,86	2,54 %
18	Apparel industry	11	0,29 %	2.284.807,97	0,40 %
19	Preparation and finishing of leather	4	0,11 %	617.621,49	0,11 %
20	Wood and cork industry	62	1,64 %	4.587.196,28	0,80 %
21	Paper industry	50	1,33 %	8.591.824,67	1,50 %
22	Publishing and graphic arts	141	3,74 %	21.676.753,71	3,78 %

Portfolio of Initial Assets on 14 November 2005					
Classification by industry					
CNAE		Initial Assets		Outstanding Principal	
		Number	%	(euros)	%
24	Chemical industry	69	1,83%	9.454.834,12	1,65%
25	Manufacture of rubber products	135	3,58%	21.434.048,22	3,73%
26	Man. of other mineral products	80	2,12%	6.375.231,54	1,11%
27	Metallurgy	25	0,66%	3.665.106,80	0,64%
28	Production of metal products	285	7,55%	35.560.747,15	6,20%
29	Machine-building industry	108	2,86%	11.435.510,41	1,99%
31	Machinery manufacturing	31	0,82%	2.927.861,42	0,51%
32	Electronic material manufacturing	14	0,37%	6.177.236,63	1,08%
33	Medical equipment manufacturing	5	0,13%	709.939,96	0,12%
34	Manufacturing motor vehicles	18	0,48%	4.812.247,22	0,84%
35	Manufacturing other transport material	2	0,05%	444.609,06	0,08%
36	Furniture-making	83	2,20%	18.044.677,96	3,14%
40	Prod. and dist. of electric energy and gas	3	0,08%	292.123,24	0,05%
41	Water collection and purification	4	0,11%	192.558,77	0,03%
45	Construction	286	7,58%	25.016.230,08	4,36%
50	Sale and maint. of motor vehicles	82	2,17%	13.626.215,08	2,37%
51	Wholesale trade	376	9,97%	58.390.952,81	10,17%
52	Retail trade	171	4,53%	27.934.144,01	4,87%
55	Hotel and catering	139	3,68%	20.273.085,98	3,53%
60	Land transport	441	11,69%	32.011.953,00	5,58%
61	Ocean transport	2	0,05%	89.288,29	0,02%
63	Activities related to transport	74	1,96%	13.156.184,52	2,29%
64	Postal services and telecommunications	4	0,11%	323.512,55	0,06%
65	Financial intermediation	2	0,05%	1.565.242,48	0,27%
66	Insurance and pension plans	6	0,16%	1.656.937,80	0,29%
67	Auxiliary financial activities	1	0,03%	129.804,63	0,02%
70	Property activities	353	9,36%	120.526.357,09	21,00%
71	Machinery rental	68	1,80%	8.387.186,34	1,46%
72	Computer activities	9	0,24%	1.048.920,14	0,18%
73	Research and development	1	0,03%	302.531,89	0,05%
74	Other business activities	214	5,67%	35.386.140,05	6,17%
75	Public administration and defence	1	0,03%	108.251,91	0,02%
80	Education	3	0,08%	185.178,62	0,03%
85	Medical and veterinary activities	44	1,17%	4.577.640,68	0,80%

Portfolio of Initial Assets on 14 November 2005					
Classification by industry					
CNAE		Initial Assets		Outstanding Principal	
		Number	%	(euros)	%
90	Activities in public sanitation	16	0,42%	1.051.364,18	0,18%
91	Associated activities	8	0,21%	4.225.801,82	0,74%
92	Recreational and cultural activities	47	1,25%	7.542.954,32	1,31%
93	Activities in personal services	73	1,93%	8.974.417,79	1,56%
	Portfolio Total	3.773	100,00%	573.906.585,43	100,00%

c) Information on the formalisation date of the selected Initial Assets

The following chart shows the breakdown of the selected Initial Assets according to the formalisation date in intervals of 6 months, as well as the average, minimum and maximum age.

Portfolio of Initial Assets on 14 November 2005					
Classification of the Initial Assets by the formalisation date					
Interval		Initial Assets		Outstanding Principal	
Formalisation date	Number	Number	%	(euros)	%
01/01/1997	30/06/1997	13	0,34%	914.709,32	0,16%
01/07/1997	31/12/1997	34	0,90%	2.364.585,99	0,41%
01/01/1998	30/06/1998	37	0,98%	3.507.250,78	0,61%
01/07/1998	31/12/1998	45	1,19%	5.129.308,22	0,89%
01/01/1999	30/06/1999	66	1,75%	9.450.671,69	1,65%
01/07/1999	31/12/1999	74	1,96%	10.685.561,38	1,86%
01/01/2000	30/06/2000	84	2,23%	14.167.898,55	2,47%
01/07/2000	31/12/2000	87	2,31%	20.649.423,50	3,60%
01/01/2001	30/06/2001	98	2,60%	24.964.110,77	4,35%
01/07/2001	31/12/2001	108	2,86%	29.587.798,31	5,16%
01/01/2002	30/06/2002	247	6,55%	35.418.809,74	6,17%
01/07/2002	31/12/2002	193	5,12%	52.828.258,54	9,21%
01/01/2003	30/06/2003	445	11,79%	70.455.334,18	12,28%
01/07/2003	31/12/2003	329	8,72%	64.912.276,06	11,31%
01/01/2004	30/06/2004	616	16,33%	73.659.505,63	12,83%
01/07/2004	31/12/2004	542	14,37%	69.832.498,77	12,17%
01/01/2005	30/06/2005	755	20,01%	85.378.584,00	14,88%
Total portfolio		3.773	100,00%	573.906.585,43	100,00%
Weighted average age				01/04/2003	31.48 months
Maximum age				06/02/1997	105.30 months
Minimum age				30/05/2005	5.52 months

d) Information on the principal of the selected Initial Assets

The following table shows the breakdown of the outstanding balance of the Initial Assets as of 14 November 2005 at intervals of 50,000 euros, as well as the average, minimum and maximum values.

Portfolio of Initial Assets on 14 November 2005					
Classification by Intervals of Outstanding Principal					
Interval of principal (euros)		Initial Assets		Outstanding Principal	
		Number	%	Amount	%
0	50.000	1.497	39,68%	53.619.964,64	9,34%
50.000	100.000	998	26,45%	68.727.829,73	11,98%
100.000	150.000	422	11,18%	51.206.478,55	8,92%
150.000	200.000	218	5,78%	37.524.349,29	6,54%
200.000	250.000	153	4,06%	33.884.611,87	5,90%
250.000	300.000	99	2,62%	26.921.512,25	4,69%
300.000	350.000	59	1,56%	19.100.762,66	3,33%
350.000	400.000	45	1,19%	16.867.248,58	2,94%
400.000	450.000	38	1,01%	16.130.824,29	2,81%
450.000	500.000	32	0,85%	15.254.569,87	2,66%
500.000	550.000	22	0,58%	11.528.903,15	2,01%
550.000	600.000	19	0,50%	10.926.942,88	1,90%
600.000	650.000	21	0,56%	13.159.015,80	2,29%
650.000	700.000	14	0,37%	9.370.412,87	1,63%
700.000	750.000	18	0,48%	13.034.999,56	2,27%
750.000	800.000	5	0,13%	3.911.702,13	0,68%
800.000	850.000	11	0,29%	9.096.808,87	1,59%
850.000	900.000	12	0,32%	10.582.848,14	1,84%
900.000	950.000	8	0,21%	7.337.290,73	1,28%
950.000	1.000.000	3	0,08%	2.943.290,83	0,51%
1.000.000	1.200.000	20	0,53%	21.533.472,23	3,75%
1.200.000	1.400.000	12	0,32%	15.765.304,16	2,75%
1.400.000	1.600.000	9	0,24%	13.600.597,83	2,37%
1.600.000	1.800.000	9	0,24%	15.267.670,15	2,66%
2.000.000	2.200.000	8	0,21%	16.741.978,55	2,92%
2.200.000	2.400.000	5	0,13%	11.765.656,15	2,05%
2.400.000	2.600.000	4	0,11%	9.987.648,05	1,74%
2.600.000	2.800.000	5	0,13%	13.531.082,39	2,36%
2.800.000	3.000.000	2	0,05%	5.809.461,08	1,01%

Portfolio of Initial Assets on 14 November 2005					
Classification by Intervals of Outstanding Principal					
Interval of principal (euros)		Initial Assets		Outstanding Principal	
		Number	%	(euros)	%
3.000.000	3.200.000	1	0,03%	3.054.640,50	0,53%
3.200.000	3.400.000	2	0,05%	6.614.303,34	1,15%
4.400.000	4.600.000	2	0,05%	9.104.404,31	1,59%
Total portfolio		3.773	100,00%	573.906.585,43	100,00%
Average principal				152.108,82	
Minimum principal				21.933,51	
Maximum principal:				4.556.053,63	

e) Information on the final maturity date of the selected Initial Assets

The following chart shows the distribution of the selected Initial Assets according to the final maturity date in annual intervals, as well as the adjusted average total residual life and the minimum and maximum final due dates.

Portfolio of Initial Assets on 14 November 2005				
Classification by final amortisation date				
Due Date	Initial Assets		Outstanding Principal	
	Number	%	(euros)	%
2007	485	12,85%	27.859.291,03	4,85%
2008	804	21,31%	51.662.383,23	9,00%
2009	771	20,43%	64.180.223,98	11,18%
2010	582	15,43%	60.628.046,19	10,56%
2011	285	7,55%	48.179.274,19	8,39%
2012	203	5,38%	41.857.532,36	7,29%
2013	134	3,55%	42.031.513,75	7,32%
2014	116	3,07%	54.883.599,42	9,56%
2015	108	2,86%	42.295.650,14	7,37%
2016	89	2,36%	29.284.907,95	5,10%
2017	70	1,86%	30.942.617,69	5,39%
2018	44	1,17%	39.328.319,96	6,85%
2019	62	1,64%	28.936.046,20	5,04%
2020	20	0,53%	11.837.179,34	2,06%
Total portfolio	3.773	100,00%	573.906.585,43	100,00%
Minimum amortisation period			03/01/2007	1.14 years
Maximum amortisation period			28/11/2020	15.05 years
Weighted average amortisation			12/02/2013	7.25 years

f) Information on geographic distribution by province

The following chart shows the distribution of the Initial Assets by province, according to the province where the debtors or debtor companies are domiciled.

Portfolio of Initial Assets on 14 November 2005				
Geographical Classification by Spanish Provinces				
Province	Initial Assets		Outstanding Principal	
	Number	%	Amount (euros)	%
BARCELONA	2.992	79,30%	492.008.013,43	85,73%
GIRONA	364	9,65%	35.921.027,73	6,26%
LLEIDA	149	3,95%	15.360.009,32	2,68%
TARRAGONA	268	7,10%	30.617.534,95	5,33%
Total portfolio	3.773	100,00%	573.906.585,43	100,00%

g) Information on the existence of late payments of the principal or interest on the selected Initial Assets and, if so, amount of the principal of the Initial Assets currently more than 30, 60 and 90 days late.

The following table shows the number of Assets, the outstanding principal, and the due and unpaid principal on the selected Assets as of 14 November 2005 with some delay in the payment of the due and payable amounts.

Portfolio of Initial Assets on 14 November 2005						
Late Payments of Instalments Due						
Day Interval	Initial Assets		Unpaid Principal Due		Outstanding Principal Not Due	
	No. of Operations	%	Amount	%	%	Euros
30	9	52,94%	13.115,19	43,45%	62,27%	764.571,34
60	8	47,06%	17.067,48	56,55%	37,73%	463.212,21
90	0	0,00%	0,00	0,00%	0,00%	0,00
Portfolio Total	17	100,00%	30.182,67	100,00%	100,00%	1.227.783,55

h) Distribution by nature of the Initial Assets

The following table shows the distribution of the Initial Assets according to the nature of the Real Estate or Personal Property Leasing.

Portfolio of Initial Assets on 14 November 2005				
Classification of the Initial Assets by the Nature thereof				
	Initial Assets		Outstanding Principal	
	No. of Operations	%	Amount	%
NON REAL ESTATE LEASING	2.602	68,96%	194.447.041,93	33,88%
REAL ESTATE LEASING	1.171	31,04%	379.459.544,40	66,12%
Portfolio Total	3.773	100,00%	573.906.586	100,00%

i) Information on the applicable nominal interest rates: maximum, minimum and average rates for the selected Initial Assets

The following chart shows the breakdown of the selected Initial Assets at intervals of the applicable nominal interest rate expressed as percentage on 14 November 2005, as well as the average, minimum and maximum values thereof.

Portfolio of Initial Assets on 14 November 2005					
Classification by Nominal Interest Rate					
Interest Rate % Interval		Initial Assets		Outstanding Principal	
		Number	%	Amount (euros)	%
2	2,49	5	0,13%	590.456,88	0,10%
2,5	2,99	828	21,95%	129.297.725,31	22,53%
3	3,49	1.112	29,47%	182.194.208,34	31,75%
3,5	3,99	1.226	32,49%	195.812.685,54	34,12%
4	4,49	281	7,45%	44.854.745,07	7,82%
4,5	4,99	142	3,76%	10.891.469,60	1,90%
5	5,49	98	2,60%	6.265.572,51	1,09%
5,5	5,99	44	1,17%	2.152.572,10	0,38%
6	6,49	21	0,56%	1.230.230,13	0,21%
6,5	6,99	12	0,32%	460.746,33	0,08%
7	7,49	4	0,11%	156.173,62	0,03%
Portfolio Total		3.773	100,00%	573.906.585,43	100,00%
		Weighted Average:		3,42%	
		Simple Average:		3,52%	
		Minimum:		2,33%	
		Maximum:		7,35%	

j) Distribution by Reference Interest Rate

The following table shows the distribution of the Initial Assets in accordance with the reference rate of interest applicable for the calculation of the nominal rate of interest of each one of them.

Portfolio of Initial Assets on 14 November 2005				
Classification by reference index of the interest rate				
Reference Index	Initial Assets		Outstanding Principal	
	Number	%	Amount (euros)	%
EURIBOR 3 months	3.642	96,53 %	561.812.414,16	97,89 %
MIBOR 3 months	131	3,47 %	12.094.171,27	2,11 %
Portfolio Total	3.773	100,00 %	573.906.585,43	100,00 %

k) Information on the minimum interest rates applicable to the selected Initial Assets

For part of the selected Initial Assets, a minimum nominal interest rate limits the variability of the applicable interest rate in a downward direction. The minimum nominal interest rates applicable to the Initial Assets selected on 14 November 2005 range between 0.5% and 4%.

The following table shows the distribution of the Initial Assets at intervals of 0.5% of the minimum interest rate applicable for calculating the nominal rate of interest of the Initial Assets.

Portfolio of Initial Assets on 14 November 2005				
Classification by Applicable Minimum Nominal Interest Rate				
Interest Rate % Interval	Initial Assets		Outstanding Principal	
	Number	%	Amount (euros)	%
without minimum I.R.	1.918	50,83 %	218.903.420,42	38,14 %
0,5-1	1	0,03 %	140.884,26	0,02 %
1-1,5	0	0,00 %	0,00	0,00 %
1,5-2	1	0,03 %	2.182.581,27	0,38 %
2-2,5	15	0,40 %	5.051.487,50	0,88 %
2,5-3	127	3,37 %	42.841.524,07	7,46 %
3-3,5	359	9,51 %	90.001.337,41	15,68 %
3,5-4	1.352	35,83 %	214.785.350,50	37,43 %
Portfolio Total	3.773	100,00 %	573.906.585,43	100,00 %

1) Information on the maximum interest rates applicable to the selected Initial Assets

For part of the selected Initial Assets, a maximum nominal interest rate limits the variability of the applicable interest rate in an upward direction. The maximum nominal interest rates applicable to the Initial Assets selected on 14 November 2005 range between 8% and 18%.

The following table shows the distribution of the Initial Assets at intervals of 0.5% of the maximum interest rate applicable for calculating the nominal rate of interest of the Initial Assets.

Portfolio of Initial Assets on 14 November 2005				
Classification by Applicable Maximum Nominal Interest Rate				
Interest Rate % Interval	Initial Assets		Outstanding Principal	
	Number	%	Amount (euros)	%
Without maximum I.R.	1.917	50,81%	218.409.465,09	38,06%
8-8,5	1	0,03%	492.715,52	0,09%
8,5-9	0	0,00%	0,00	0,00%
9-9,5	11	0,29%	7.801.584,46	1,36%
9,5-10	123	3,26%	10.896.461,46	1,90%
10-10,5	6	0,16%	869.515,70	0,15%
10,5-11	0	0,00%	0,00	0,00%
11-11,5	3	0,08%	1.084.743,75	0,19%
11,5-12	0	0,00%	0,00	0,00%
12-12,5	1.710	45,32%	333.452.809,30	58,10%
12,5-18	2	0,05%	899.290,15	0,16%
Portfolio Total	3.773	100,00%	573.906.585,43	100,00%

2.2.3 Legal nature of the Assets

The Assets are composed of Credit Rights derived from Leasing which can be classified as follows: (i) Real Estate Leasing formalised in a policy witnessed by a notary public or in a public deed and (ii) Personal Property Leasing formalised in a policy witnessed by a notary public.

Likewise, the Credit Rights are classified with respect to when they are pooled into the Fund, into Initial Credit Rights and Additional Credit Rights.

The Assignor, by means of the Deed of Formation, shall assign Initial Credit Rights and subsequently Additional Credit Rights to the Fund with the following characteristics, which are outlined in greater detail in Annex 3.3.4. of this Supplemental Addendum:

1. Assignment to the Fund by Banco de Sabadell, S.A. of the Initial Credit Rights which are listed in the Deed of Formation.
2. Establishment of the obligation of Banco de Sabadell, S.A. to assign to the Fund, on each Replacement Date, Additional Credit Rights, which shall comply with both the individual and the global Election Requirements, for an amount that does not exceed the Acquisition Amount.

2.2.4 Maturity or expiration date or dates of the Initial Assets

Each of the selected Initial Assets has a final due date, notwithstanding the periodical partial payments made pursuant to the special conditions of each asset.

In any given moment in the life of the Assets, the Debtors can repay all the capital pending amortisation early.

The final maturity date of the selected Initial Assets is between 3 January 2007 and 28 November 2020. 28 November 2020 coincides with the final maturity date of the Fund (hereinafter, the **“Final Maturity Date”**).

2.2.5 Maximum Asset amount

The maximum amount of the Outstanding Balance of the Credit Rights pooled into the Fund shall be an amount equal to or as close as possible, by default, to five hundred million euros (500,000,000 euros) (hereinafter, the “*Maximum Amount of the Credit Rights*”).

The portfolio of selected Initial Credit Rights from which the Assets will be extracted and assigned to the Fund on the Formation Date is composed of 3773 Credit Rights, which had an outstanding unmatured principal as of 14 November 2005 amounting to 573,906,585.43 euros and a due and unpaid principal amounting to 30,182.67 euros.

Banco Sabadell, S.A. will choose, from among the selected credit rights, those which are current in their payments up to a total principal or capital equal to or slightly less than five hundred million euros (500,000,000) euros for assignment to the Fund on the Fund Formation Date.

2.2.6 Ratio of outstanding principal to the appraised value or level of overcollateralisation.

There are 1171 selected Initial Assets derived from Real Estate Leasing as of 14 November 2005, whose unmatured principal amounts to 379,459,544.40 euros.

The ratio, expressed as a percentage, between the amount of the principal pending amortisation as of 14 November 2005 and the appraised value of the selected property was between 0.46% and 93.14%, and the weighted average of the outstanding principal of the Real Estate Leases was 56.40%.

Portfolio of Initial Assets on 14 November 2005					
Classification by outstanding principal/appraisal value ratio					
Interval of Ratio		Initial Assets		Outstanding Principal	
		Number	%	Amount (euros)	%
0,00%	9,99%	30	2,56%	9.154.971,65	2,41%
10,00%	19,99%	56	4,78%	9.827.830,64	2,59%
20,00%	29,99%	107	9,14%	15.193.291,30	4,00%
30,00%	39,99%	175	14,94%	35.983.291,34	9,48%
40,00%	49,99%	211	18,02%	63.604.030,93	16,76%
50,00%	59,99%	204	17,42%	67.430.283,95	17,77%
60,00%	69,99%	192	16,40%	75.184.667,47	19,81%
70,00%	79,99%	145	12,38%	77.527.820,34	20,43%
80,00%	89,99%	44	3,76%	19.795.655,34	5,22%
90,00%	99,99%	7	0,60%	5.757.701,44	1,52%
> 100%		0	0,00%	0,00	0,00%
Portfolio Total		1.171	100,00%	379.459.544,40	100,00%
Weighted Average:				56,40%	
Minimum:				0,46%	
Maximum:				93,14%	

2.2.7 Initial Asset Creation Method

The Initial Assets selected for assignment to the Fund at the time of its formation were assigned by the Assignor following its habitual procedure for analysing and assessing the credit risk. The procedures used by Banco Sabadell, S.A. are described below:

Analysis:

- Carried out by the designated Basic Management Teams each created by one individual from Commercial Banking and another from the Risk Management Unit.
- It is based on the 5 business and risk aspects described below.

1- Functionality and management capacity

Corporate philosophy and objectives, constituent characteristics and their role in

management, structure of organisation and senior management, management style.

2- Competitive market position

Type of product, degree of maturity and substitutability, sector to which it belongs, complexity, seniority, R&D of the production process, customer and supplier base, situation with competitors, market range, channels.

3- Economic and financial aspects

Balance sheet analysis, nominal account, development, tendency and projection, financial environment, partners, corporate group and degree of involvement, indebtedness and liquidity, cash flow generation, capacity for growth and self-financing.

4- Economic and financial aspects

Knowledge of the customer and the group, antecedents, compensations and time management, asset/liability positions, relationship among company, partners and group, experience of third parties as payer, profitability of bank.

5- Guarantees

Assessment of guarantees and of obligations with the bank and other financial service providers, liquidity and capacity to implement them, opportunity or necessity to have them.

- The RATING which indicates to us the probability that the customer will default in the next 12 months is determined from the overall assessment of these 5 aspects.

Decision:

The decision is made from the assessment of the RATING, taking into account a series of information and parameters which can be summarised as follows:

- The consistency of the customer's application versus the customer's activity/business.
- Capacity to pay based on the customer's current and future situation.

- Guarantees given.
- That the overall working capital of the Bank is consistent with the total sales figure of the customer.
- That overall risks associated with our entity is proportional to the customer's own resources. This section will show a positive assessment if the balance sheet of the customer indicates the existence of its own real estate.
- The long-term operations that have more flexibility in terms of the percentage of own resources require greater involvement of the customer and/or greater and better guarantees.
- There is no limit to the servicing percentage (base rate of Banco de España)
- Databases of defaulting payers, both internal and external, shall be consulted (RAI, Asnef, etc.)
- We could be a suitable Principal Bank of customers with average and high ratings. When it comes to customers with low ratings, however, we will try to boost their solvency by means of additional guarantees or lower the inherent risks.

Autonomous regions:

- The decision-making cycle has two distinct levels with a degree of autonomy assigned to each one. This degree is assigned based on the actual function fulfilled by each of them. Each of these levels has the entity of the Basic Management Team formed by one individual from Commercial Banking and one from Risks. These two have to approve operations by consensus. If they do not come to an agreement, they shall submit the decision to a higher level.
- The degree of autonomy of each one of these levels is augmented or diminished by the quality of the RATING.
- Certain characteristics of the customer and/or risk requested can have exceptions with regard to the generally assigned autonomy (e.g. risks of: Advisers of the Entity, Special sectors, Political parties, etc.)

Follow-up:

- To obtain a level with an excellent risk quality, it is necessary to do a comprehensive follow-up of the portfolio once the loans are in effect. This is in addition to having several rating systems and performing a thorough analysis of risk assignment.
- The comprehensive follow-up system identifies those customers who show signs that can involve a deterioration of solvency and hence could present problems in the future. Once these customers are identified, a complete analysis will be made. Once complete, the decision will be made on the matter. This decision can be any of the following:
 1. OK: Customers with this rating continue to normally pursue their relationship although a new revision date will be indicated in some cases.
 2. CUSTOMER TO BE TERMINATED: These are customers with which there is no desire to continue the commercial relationship and hence the form of termination is being planned.
 3. PRE-LITIGATION: Customers under pre-litigation are those who are in a problematic situation but, because of their specific characteristics, guarantees and other coincident factors, can be prevented from resorting to litigation by means of preventive and extraordinary management or, if this cannot be avoided, does so under better conditions (more guarantees, documents from senior management, etc.)
 4. LITIGATION: Customers against whom it has been decided to bring a lawsuit for being in a very complicated and normally irreversible situation. The Recovery Department is responsible for managing the files forwarded to them, provided however the Basic Management Team assists in recovering the debt. Nevertheless, the Recovery Department has to be notified and its authorisation sought before any decision is made about these accounts. Failure to do so could result in a situation that might obstruct the initiated proceedings.

2.2.8 Representations of the Issuer in relation to the Assets

The Assignor, as holder of the Assets until their conveyance to the Fund, shall meet the following conditions on the Deed Formation Date and upon each

conveyance of the Additional Credit Rights in relation to the time of said conveyances:

Regarding the Assignor

- 1) That it is an entity duly formed in accordance with applicable law, registered in the Mercantile Register and the Bank of Spain's Register of Credit Entities and is authorised to execute financing operations and, in particular, leasing agreement policies or public deeds with SMEs.
- 2) That it is not and has not been, either on the Fund Incorporation Date or anytime thereafter, in a situation of insolvency which could lead to bankruptcy proceedings.
- 3) That it has obtained all of the necessary authorisations, both administrative and corporate, in addition, where appropriate, to the authorisations of third parties who may be affected by the assignment of the Credit Rights to the Fund, to validly execute the Deed of Formation, the commitments assumed therein and the remaining agreements related with the formation of the Fund.
- 4) That its annual accounts for the last three financial years ending on 31 December 2002, 31 December 2003 and 31 December 2004 have been audited with a favourable opinion issued by the auditors at least for those ending on 31 December 2004, and that those audited annual accounts have been filed with the CNMV and the Companies Registry.
- 5) That on 10 October 2005 it signed a Framework Collaboration Agreement with the Department of Economy and Finance of the Generalitat de Catalunya pursuant to Annex 3 of the Resolution.

The Credit Rights on the Fund Formation Date and the Additional **Credit Rights** on the Replacement Date in relation to the time of the assignments shall meet the following conditions:

- 1) That all the Credit Rights are duly documented and they are formalised, either through a deed or a policy overseen by a public notary, and that Banco de Sabadell, S.A. keeps the first copy of the public deed or the policy at the disposal of the Fund Manager.
- 2) That all the Credit Rights exist and are valid and callable under applicable law.
- 3) That the Assignor is the rightful owner of the totality of the Credit Rights, free from liens or claims, and there exists no impediment whatsoever to their being assigned to the Fund.
- 4) That all the Credit Rights are denominated in euros and are paid exclusively in euros.
- 5) That the data relative to the Initial Credit Rights that is included in the Fund Formation Deed correctly reflect the present situation, as included in the policies or public deeds that document the Initial Credit Rights and in the data files of the corresponding Leasing arrangements, and that those data are correct, complete and not conducive to error. Likewise, any other additional information about the characteristics of the Initial Assets portfolio of the Assignor collected in the Informative Prospectus is correct and not conducive to error.
- 6) That the final due date of all the Initial Credit Rights assigned to the Fund is after 3 January 2007.
- 7) That the criteria established by the Assignor on each corresponding date have been followed for the granting of the Assets included in the portfolio.
- 8) That all the Credit Rights are clearly identified, both on data files and in the contracts, deeds or policy in the Assignor's possession, and are the object of analysis and monitoring by the Assignor, from their concession, in accordance with the habitual procedures set forth.

- 9) That since the time they were granted, all of the Credit Rights have been and are being administered by the Assignor in accordance with the regular procedures utilised by the Assignor in the administration of the finance operations of SMEs.
- 10) That there are no lawsuits of any kind with regard to the Credit Rights which could prejudice their validity and enforceability or lead to the application of article 1535 of the Civil Code. Furthermore, to the best of its knowledge, none of the Debtors of the Credit Rights has been declared bankrupt.
- 11) None of the Debtors of the Credit Rights, as the holder of a credit rights against the Assignor, is in a position to oppose the repayment.
- 12) That none of the Debtors can raise any objection whatsoever to the Assignor against the payment of any Credit Right amount.
- 13) That the respective policies or public deeds that document the Credit Rights do not contain any clauses which impede the assignment of the Credit Rights or which require special authorisation to do so, with the exception of those duly obtained prior to the Fund Formation Date. Moreover, all of the requirements for assignment established in the policies or public deeds documenting the Credit Rights have been met.
- 14) That, as of the Fund Formation Date or on the corresponding Replacement Date, where applicable, the Credit Rights to be assigned to the Fund will be current in payment.
- 15) That on the Fund Formation Date or on the corresponding Replacement Date, if applicable, the Personal Property Leasing will account for approximately 35% of all the Credit Rights pooled in the Fund and Real Estate Leasing will approximately account for the remaining 65%.
- 16) That on the Fund Formation Date or on the corresponding Replacement Date, where applicable, no notification has been received of the early redemption of the total of the Credit Rights.

- 17) That none of the Credit Rights has a final maturity date later than 28 November 2020.
- 18) That the payment of the Credit Right amounts will be by direct debit.
- 19) That, as of the Fund Formation Date or on the corresponding Replacement Date, where applicable, at least one payment has fallen due in the case of each of the Credit Rights.
- 20) That the guarantees, if applicable, of the Credit Rights, are valid and enforceable in accordance with applicable legislation, and there is nothing to indicate the existence of any circumstance that prevents the execution of the guarantees.
- 21) That no person has any preferential right to the Fund, as a holder of a Credit Right, or to the collection of quantities derived therefrom with the exception of legally established preferential rights.
- 22) That the Financial Leasing facilities referred to in the Credit Rights have been granted to non-financial Catalan entrepreneurs or enterprises to finance their activities, and at least 80% of these have been granted to small and medium enterprises pursuant to the definition of the European Commission (European Commission Recommendation 2003/361/CE of 6 May 2003 on the definition of small and medium enterprises).
- 23) That both the granting of Financial Leasing as well as the assignment of the Credit Rights to the Fund and all aspects related thereto have been made according to market criteria.
- 24) That the data and information relative to the Initial Credit Rights selected for assignment to the Fund contained in part 2.2.2. of this Supplemental Addendum and, where applicable, the data and information relative to the Additional Credit Rights, faithfully reflect the situation as of the corresponding date and that all such information is complete and correct.

- 25) No assignment to the Fund will be made of Credit Rights derived from Financial Leasing with respect to which notification of early termination has been received from the Debtors.
- 26) That the Financial Leasing arrangements are irrevocable for the lessees or Debtors in accordance with the terms and conditions of the corresponding policies or public deeds.
- 27) That all the Credit Rights meet the established Election Requirements at the time of their assignment.

The aforementioned conditions shall be met by the Assignor and the Credit Rights on the Fund Formation Date and on the corresponding Replacement Date.

The Fund Manager has obtained from the Assignor the representations and warranties on the characteristics of the Initial Credit Rights and of the Assignor itself which are described in this section and shall be ratified in the Deed of Formation. Furthermore, the Fund Manager undertakes to obtain from the Assignor on each Replacement Date the representations and warranties described in this section on the characteristics of the Additional Credit rights and the Assignor.

2.2.9 Substitution of the securitised assets

If, exceptionally, at any time during the term of the Credit Rights it were discovered that any of these did not conform to the representations made in part 2.2.8 of the Supplemental Addendum at the time of the formation of the Fund, the Assignor undertakes:

- a) To remedy the defect within 30 days of becoming aware of the defect or being notified by the Fund Manager of the existence of the defect.
- b) If such remedy as described in part a) is not possible, the Fund Manager shall request the Assignor to replace the Credit Rights with others of similar characteristics that meet the Election Requirements, which must be accepted by the Fund Manager within a maximum period of 30 days after consultation with the Rating Agency.

As soon as it becomes aware that one of the Credit Rights assigned by it does not comply with the representations made in part 2.2.8 of this Supplemental Addendum, the Assignor shall notify the Fund Manager and indicate the Credit Rights it intends to assign in replacement of the affected Credit Rights.

At all events, when a Credit Right is replaced, the Assignor shall demonstrate that the replacement Credit Right complies with the representations contained in part 2.2.8 of this Supplemental Addendum and with the Election Requirements.

The Assignor undertakes to formalise the assignment of the replacement Credit Rights in a public document and in the manner and term established by the Fund manager, and to provide whatever information relative to them that the Fund Manager may deem necessary.

c) If neither a) nor b) were possible in the opinion of the Fund Manager, the Assignor and the CNMV would be notified and the Assignor undertakes to refund, in cash, the principal of the outstanding instalments of the corresponding Financial Leases.

In any of the cases mentioned above, the replacement of the Credit Rights will be notified to the CNMV.

2.2.10 Insurance policies on the securitised assets.

Not applicable.

2.2.11. Information on debtors in those cases where the securitised assets comprise the obligations of 5 or fewer debtors who are legal entities or if one debtor represents 20% or more of the assets or if one debtor represents a substantial part of the assets.

Not applicable.

2.2.12 Details of the relationship, if relevant to the issue, between the issuer, the guarantor and the debtor

There is no relationship between the Fund, the Assignor, the Fund Manager and the other participants in the operation other than those described in parts 5.2 and 6.7 of the Registration Document.

2.2.13 If the assets include fixed yield securities, description of the main conditions.

N/A.

2.2.14 If the assets include equity securities, description of the main conditions.

N/A.

2.2.15 If the assets include equity securities that are not traded on a regulated market or equivalent if they represent more than ten (10) percent of the securitised assets, description of the main conditions.

N/A.

2.2.16 Property appraisal reports and cash/revenue flows in those cases where a significant part of the assets are guaranteed by real property.

Not applicable.

Actively managed assets backing the issue

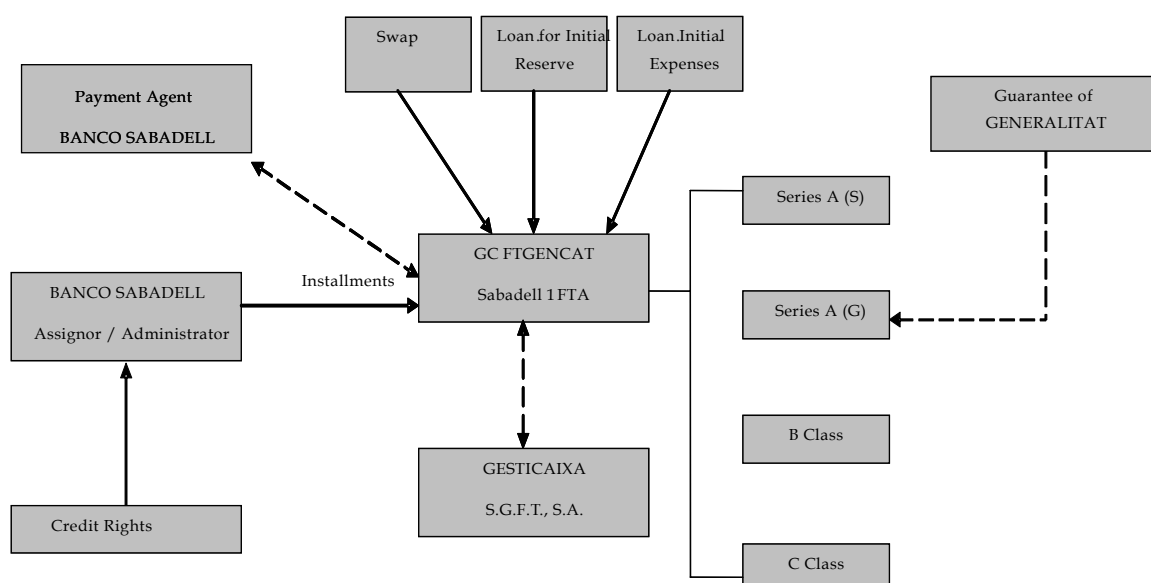
N/A.

2.3 DECLARATION IF THE ISSUER PROPOSES ISSUING NEW SECURITIES BACKED BY THE SAME ASSETS AND DESCRIPTION OF HOW THE HOLDER OF THAT SERIES WILL BE INFORMED.

N/A.

3. STRUCTURE AND TREASURY

3.1 DESCRIPTION OF THE STRUCTURE OF THE OPERATION, INCLUDING A DIAGRAM, IF NECESSARY.



Initial Balance Sheet of the Fund

The balance for the Fund in euros at the end of the Disbursement Date will be as follows:

ASSETS		LIABILITIES	
Fixed Assets	500.440.000	Bond Issue	500.000.000
Credit Rights	500.000.000	Bond Series A(S)	128.900.000
Initial Expenses (*)	440.000	Bond Series A(G)	345.600.000
		Bond Series B	19.800.000
		Bond Series C	5.700.000
Current Assets	9.500.000	Other Long-Term Liabilities	9.940.000
Treasury Account (**)	9.500.000	Loan for Initial Expenses	440.000
Principal Account	0	Reserve Fund Loan	9.500.000
Total	509.940.000	Total	509.940.000

(*) The estimated formation expenses are included in section 6 of the Prospectus Schedule.

(**) It is assumed that all formation expenses of the Fund and the Bond Issue will be paid on the Disbursement Date, wherefore these expenses will be capitalised on the previous balance sheet.

3.2. DESCRIPTION OF THE ENTITIES PARTICIPATING IN THE ISSUE AND THEIR FUNCTIONS

The description of the entities that participate in the issue and the functions that they exercise are included in point 5.2 of the Prospectus Schedule.

Amendment of contracts relative to the Fund

The fund manager may extend or modify the contracts signed in the name of the fund and replace each one of the service lenders to the fund by virtue of said contracts. Furthermore, the Fund Manager may sign additional contracts as needed and may engage the services of additional rating agencies, providing that they are in accordance with existing legal provisions at that specific time and there are no circumstances that prevent the foregoing. In any case, such actions shall require the Fund Manager to give prior notice to the CNMV or they shall require the prior authorisation of the latter, if appropriate, or of the competent administrative body. Notification must also be given to the Rating Agency and said actions must not jeopardise the rating awarded to the Bonds by said Agency.

Substitution of participants

If any of the participants in this securitisation operation were to breach their contractual obligations or in the event of a corporate, regulatory or court decision ordering the settlement, dissolution or receivership of any of them, or if any of them were to file for bankruptcy or if a request filed by a third party were admitted, the Fund Manager would be entitled to terminate the agreements linking them to the Fund provided that such termination is permitted under the law. Following the termination of the Agreement as provided for under the law, the new participant would be designated by the Fund Manager after consulting with the competent administrative authorities so as not to impair the credit rating assigned by the Rating Agency to the Bonds issued by the Fund.

Any such substitution must be communicated to the CNMV, the Rating Agency and the Assignor.

Subcontracting of participants

The participants in the GC FTGENCAT SABADELL 1, FTA securitisation operation, according to their respective contracts, shall be authorised to subcontract or delegate third parties of recognised solvency and capacity to provide any of the committed services, provided that they are legally able to do so and (i) the prior written consent of the Fund Manager is obtained, (ii) the rating assigned by Rating Agency to the Bonds is not impaired and provided always that (iii) the subcontractor or delegate waives the right to take any action against the Fund. They shall likewise be authorised to terminate such subcontracts and/or delegations. The said subcontracting or delegation may not involve any additional cost or expense for the Fund or the Fund Manager. Notwithstanding any subcontract or delegation, the participants shall not be released or exonerated from any of the responsibilities regulated under the respective contracts. Subcontractors must comply with the rating level conditions imposed by the Rating Agency in the performance of their roles.

The replacement will not affect the rating assigned to the Bonds by the Rating Agency. The Fund Manager will notify the CNMV of all subcontracts, if legally required, and shall obtain the latter's prior consent.

With regard to the subcontracting or delegation of the Administrator's power of administration, the provisions of part 3.7.2.1.9. of this Supplemental Addendum and its equivalent in the Deed of Formation and Administration Contract shall apply.

3.3 DESCRIPTION OF THE METHOD AND DATE OF THE SALE, TRANSFER, NOVATION OR ASSIGNMENT OF THE ASSETS OR ANY OBLIGATION AND/OR RIGHT TO THE ASSETS TO THE ISSUER.

3.3.1. Formalisation of the assignment of the Credit Rights

The assignment of the Credit Rights by the Assignor for acquisition by the Fund and the grouping together of these Loans as the Fund's assets is governed by Spanish law and bound by the courts and tribunals of Barcelona.

The Debtors shall not be notified of the assignment of the Credit Rights by Banco de Sabadell, S.A. To this end, notification is not a requirement for the validity of the assignment of the Credit Rights.

3.3.1.1 Assignment of the Initial Credit Rights

By means of the Deed of Formation of the Fund, the Fund Manager, in representation of the Fund, and Banco de Sabadell, S.A. will enter into an agreement for assigning an unspecified number of the Initial Credit Rights to the Fund, the total principal of which shall be equal to the Maximum Amount of the Credit Rights, that is to say a figure equal to or which comes as close as possible, by default, to five hundred million euros (500,000,000 euros). The amount of the Initial Credit Rights assigned upon the formation of the Fund may be slightly less than the Maximum Amount of the Credit Rights, given the difficulty in the exact adjustment to this amount due to the fact that each of the Credit Rights will be assigned for the total amount of the principal, financial charges and any other ancillary right at the time of assignment, excluding late interest, taxes and the residual value of the leased property. The difference between the subscription price of the Bonds in Classes A, B and C and the amount of the Initial Credit Rights shall be deposited in the Principal Account.

In the Deed of Formation each of the Initial Credit Rights assigned to the Fund will be specified so that they can be identified.

The Initial Credit Rights will start accruing interest in the Fund's favour on the Fund Formation Date on which they are assigned.

3.3.1.2 Assignment of the Additional Credit Rights

Once formed, the Fund, represented by the Fund Manager, shall make biannually on each replacement date, meaning on 19 September 2006, 19 March 2007, 19 September 2007 and 19 March 2008 (hereinafter, each one of which is the "*Replacement Date*") during the Replacement Period, successive acquisitions of Additional Credit Rights in order to replace the decrease of the amount of the Credit Rights, in the amount reached by the Available Principal Funds.

The Additional Credit Rights shall be assigned through the CIFRADO system in accordance with the provisions in the following section 3.3.1.6.

In the event that, at any time and for any reason, the Fund Manager were to be unable to use the CIFRADO system, on each Replacement Date on which Additional Credit Rights are acquired, the Fund Manager and Banco de Sabadell, S.A. undertake to send a document or a communication to the CNMV that has the same effect, or should this not be possible, to execute a policy overseen by a commissioner for oaths for the assignment of the Additional Credit Rights with the aforesaid content or using any instrument that may have the same effect with respect to third parties in the future, the Fund Manager being obliged in this case to present an authorised copy of this document to the CNMV.

All expenses and taxes incurred as a result of the formalisation of the successive assignments of Additional Credit Rights shall be charged to the Fund.

3.3.1.3 Replacement Period

The Fund Manager, on behalf of the Fund, will acquire Additional Credit Rights biannually on each one of the Replacement Dates during the period of time between the Fund Formation Date and 19 March 2008, inclusive (hereinafter, the *"Replacement Period"*).

Early and definitive termination of the Replacement Period (hereinafter, *"Early and Definitive Termination of the Replacement Period"*) will occur as from the date, inclusive, if applicable, on which any of the following circumstances might apply:

- a) The acquisition of additional Credit Rights were suspended on two Replacement Dates.
- b) Partial coverage of the Maximum Acquisition Amount occurred on two Replacement Dates corresponding to a percentage of less than 50% of this amount.
- c) Banco de Sabadell, S.A. were in a situation of bankruptcy.

- d) The rating of the unsubordinated and unsecured short-term debt of Banco de Sabadell, S.A. were to fall below BBB, according to the rating scale of Fitch.
- e) The amount of the allocated Reserve Fund were less than the Required Minimum Level of the Reserve Fund on the current Payment Date.
- f) The Outstanding Balance of the Credit Rights, which as from the Fund Formation Date had been late by more than ninety (90) days delay in the payment of overdue amounts, in relation to the amount totalled by the sum of (i) the Outstanding Balance of the Initial Credit Rights and (ii) the Outstanding Balance of the Additional Credit Rights incorporated into the Fund up to 12 months previously, on that same date, were greater than 0.85% during 2006, 2.15% during 2007 and 2.60% during 2008.

3.3.1.4 Acquisition Amount

The maximum amount that the Fund Manager, in representation of the Fund, shall assign on each Replacement Date to the acquisition of Additional Credit Rights (hereinafter, the "*Acquisition Amount*") shall be the amount of the Available Principal Funds on the corresponding Determination Date.

During the Replacement Period, the remaining Available Principal Funds not used for acquisition of Additional Credit Rights shall remain deposited in the Principal Account.

3.3.1.5 Election Requirements

For their assignment and incorporation into the Fund, the Credit Rights will have to meet all the election requirements established below (hereinafter, the "*Election Requirements*") on both the Formation Date and the corresponding Replacement Date.

Individual Requirements

The Election Requirements that each of the Credit Rights must individually meet for their assignment into the Fund both on the Formation Date and the corresponding Replacement Date (hereinafter, the “*Individual Requirements*”) are the following:

1. That the right can be segregated and identified for the purpose of ownership, and over which the Assignor has full, legal and beneficial ownership at the time of sale.
2. That it is a credit right derived from the instalment, financial charge and accessory rights of the Lease, excluding taxes and the residual value of the leased asset.
3. That the Credit Right has originated and arisen exclusively in the normal development of the commercial activities between Banco de Sabadell, S.A. and the corresponding Debtor and in market terms at the time that the corresponding Financial Leasing arrangement is granted.
4. That in the case of Real Estate Leasing, the corresponding property is owned by Banco de Sabadell, S.A. and that in the case of Personal Property Leasing the asset leased is owned by Banco de Sabadell, S.A.
5. That the Credit Right is denominated in euros.
6. That the Debtor has not been declared to be in bankruptcy and against whom there are no pending procedures in accordance with Spanish bankruptcy regulations and no recovery procedures or judicial actions with respect to the Lease related to the corresponding Credit Right, nor has he been appointed as the administrator or inspector or in a similar position in relation to the assets or income from his business activity or from the Credit Right.
7. That it is an unconditional and irrevocable obligation of the corresponding debtor (and any guarantor related to the latter) to pay the total principal sums of the instalments, interest or financial charges and other accessory rights on the respective maturity dates of the terms of the aforesaid, which

may not be opposed by any defence, dispute, compensation, counter-claim or garnishment, in accordance with the terms and conditions of the corresponding policies or public deeds.

8. That the term has not been extended beyond the original maturity date and that the credit right has not been refinanced or renegotiated, and the contract thereof has not been replaced, substituted or renewed due to a breach by the corresponding Debtor or for any other reason;
9. The Credit Rights must have been granted to non-financial Catalan entrepreneurs or enterprises, at least 80% of which are small and medium enterprises that comply with the European Commission Recommendation 2003/361/CE of 6 May 2003 on the definition of small and medium enterprises or any provision that may replace this.
10. That all the selected Credit Right has a residual amortisation period of no less than 12 months.
11. That the selected Credit Rights are current in their payments as of the Formation Date and the subsequent Replacement Dates.
12. That the Credit Right may be freely assigned subject to the terms and conditions of the corresponding contract;
13. That the Credit Right has originated and has been granted pursuant to all applicable laws and that none of the records, information or data pertaining to the same involves the creation, modification or maintenance of databases or data files that may contravene the provisions of Organic Law 15/1999 of 13 December, on Personal Data Protection, and that it is not subject to any restriction for the generation, applicability or transferability of this Credit Right;
14. That the ownership thereof corresponds exclusively to Banco de Sabadell, S.A., free of claims against the same in favour of any person who is not Banco de Sabadell, S.A. (hereby including but not limited to the fact that it has not been totally or partially pledged, encumbered, assigned,

discounted, subrogated, garnished or transferred in any way and that in any event it is free from all charges and garnishments that any party could exercise against Banco de Sabadell, S.A. or the Fund, including any affiliate or associated enterprise of the shareholders of Banco de Sabadell, S.A.);

15. That its maturity is prior to 28 September 2020;
16. That with respect to the same at least one term has been paid;

Overall Requisites

In addition to complying with the Individual Requisites, the Election Requisites that shall be fulfilled overall by the Credit Rights, hereby including the Additional Credit Rights, for the assignment thereof to the Fund (hereinafter, the "*Overall Requisites*"), are the following:

1. That the weighted average ratio of the Outstanding Balance of the Credit Rights derived from the Real Estate Leases over the assessment value of the corresponding Real Estate Leases does not exceed 65%.
2. That the percentage of the Outstanding Balance of the Credit Rights derived from the Real Property Leases over the Outstanding Balance of the Credit Rights does not exceed 40%.
3. That the weighted average maturity of the Credit Rights, on the Replacement Date, does not exceed the weighted average maturity of the Credit Rights on the Fund Formation Date by more than 10%.
4. That the weighted average age of the Credit Rights, on the Replacement Date, does not exceed the weighted average age of the Credit Rights on the Fund Formation Date by more than 10%.
5. That the average Outstanding Balance of the Credit Rights derived from the Real Property Leases on the Replacement Date does not exceed the average Outstanding Balance of the Credit Rights derived from the Real Property Leases on the Fund Formation Date by more than 10%.
6. That the weighted average of the internal rating assigned by Banco de Sabadell, S.A. to the Credit Rights that are incorporated into the Fund is not less than 5.

7. That the Outstanding Balance corresponding to the Debtor with the greatest representation in the total of the Credit Rights is greater than 1.20% of the Outstanding Balance of the Credit Rights.
8. That the aggregate Outstanding Balance corresponding to the six (6) Debtors with the greatest representation in the total of the Credit Rights is not greater than 5.75% of the Outstanding Balance of the Credit Rights.
9. That the set of Credit Rights complies with the requisites established in the Resolution.

3.3.1.6 Procedure for the acquisition of Additional Credit Rights

1. On each Offer Date, the Fund Manager sends written notification to the Assignor demanding assignment of Additional Credit Rights for the Fund, thereby indicating the Maximum Acquisition Amount and the corresponding Replacement Date for assignment to the Fund and payment of the assignment. In this regard, the Offer Date shall be two Business Days immediately prior to the Replacement Date.
2. Before 10:00 o'clock on the Business Day immediately prior to the Replacement Date, Banco de Sabadell, S.A. shall send to the Fund Manager written notification of the offer of assignment of the Additional Credit Rights, accompanied by a computer file with the details of the characteristics of the selected Credit rights that make up the assignment offer, which will have to meet the Individual Requisites.
3. Before 14:00 o'clock on the Business Day prior to the Replacement Date, the Fund Manager shall send to Banco de Sabadell, S.A. written notification of acceptance of acquisition of the Additional Credit Rights, accompanied by a computer file with the details of the accepted Additional Credit Rights and the characteristics of the same that were communicated by the Assignor.

For the determination of the Additional Credit Rights that make up the acceptance of the assignment and acquisition, the Fund Manager:

- i. Shall verify that the Credit Rights that make up the assignment offer comply with the Individual Requisites and the Overall Requisites

pursuant to the characteristics communicated by the Assignor, without thereby implying verification of compliance with the rest of the Assignor's declarations contained in section 2.2.8 of this Supplemental Addendum.

- ii. Shall determine the Additional Credit Rights that are accepted and suitable for the assignment thereof to the Fund for a total amount that is equal to or as close as possible to the Maximum Acquisition Amount.
4. On the Replacement Date, the Fund Manager, thereby representing the Fund, and Banco de Sabadell, S.A. as the Assignor, shall proceed to formally execute the assignment of the Additional Credit Rights to the Fund, which shall proceed to pay the assignment price amounted to by the principal of the Additional Credit Rights. Wherefore, the Fund Manager shall send notification the CNMV, pursuant to the notification model included in the Deed of Formation, likewise signed by Banco de Sabadell, S.A., which contains:
- a. The details of the main characteristics of the Additional Credit Rights assigned on that Replacement Date;
 - b. A statement by the Fund Manager indicating that the Additional Credit Rights meet the Election Requirements, both individually and as a portfolio, on the respective Replacement Date;

Wherefore, and in particular for the purposes of the provisions in Article 1227 of the Civil Code, *in fine*, the Fund Manager is adhered to the CIFRADOCS System of the CNMV and shall remit to this body by data communications means the details of the Additional Credit Rights.

In the event that, at any time and for any reason, the Fund Manager were to be unable to use the CIFRADOCS system, on each Replacement Date on which Additional Credit Rights are acquired, the Fund Manager and Banco de Sabadell, S.A. undertake to send a document or a communication to the CNMV that has the same effect, or should this not be possible, to execute a policy overseen by a commissioner for oaths for the assignment of the Additional Credit Rights with

the aforesaid content or using any instrument that may have the same effect with respect to third parties in the future, the Fund Manager being obliged in this case to present an authorised copy of this document to the CNMV.

All expenses and taxes incurred as a result of the formalisation of the successive assignments of Additional Credit Rights shall be charged to the Fund.

3.3.1.7 Effectiveness of the assignment

The assignment of the Initial Credit Rights shall take full effect as from the Fund Formation Date.

The assignment of the Additional Credit Rights shall take full effect as from the corresponding Replacement Date.

3.3.1.8 Price of the Assignment

The total amount that the Fund shall pay for the assignment of the Credit Rights shall be the equivalent of the face value of the capital or principal pending reimbursement, thereby having deducted the corresponding residual value and taxes of each one of the Leases.

On the first business day of the month following the Formation Date or the Replacement Date in progress, Banco de Sabadell, S.A. shall pay the Fund for the part of the ordinary interest collected by the Assignor in advance of each one of the Leases corresponding to the last instalment due prior to the Formation Date or the Replacement Date, as from the Formation Date or Replacement Date itself until the next instalment of the Lease.

The payment of the total amount for the assignment of the Credit Rights shall be paid by the Fund Manager, on behalf of the Fund, as follows:

1. The payment of the face value of the Initial Credit Rights shall be fully satisfied on the Disbursement Date, with the value that same day, once the disbursement for the subscription of the Bond Issue has been made.

2. The payment of the face value of the Additional Credit Rights shall be fully satisfied on the corresponding Replacement Date on which the assignment is made, with the value that same day.

In the event of the termination of the Fund formation, and therefore of the assignment of the Initial Credit Rights: i) the payment duty of the assignment by the Fund shall be extinguished; ii) the Fund Manager shall be bound to give back to Banco de Sabadell, S.A. any right that would have accrued in favour of the Fund due to the assignment of the Initial Credit Rights.

3.3.1.9 Terms of the assignment and rights conferred to the Fund by the Assignment of the Credit Rights.

1. The assignment of the Credit Rights will be total and unconditional, and for the entire period of time remaining until the maturity of each Credit Right.
2. The Assignor, pursuant to Article 348 of the Commerce Code, is only liable to the Fund for the existence and legitimacy of the Credit Rights under the terms and conditions declared in the Fund Formation Deed and in the Prospectus, as well as for the personality whereby the assignment is made, but does not assume any liability for non-payment by the Debtors of the Credit Rights, whether of the principal or the interest or any other amount that they could owe by virtue of the Credit Rights.

The Assignor does not assume the effectiveness of the accessory guaranties to the Credit Rights that, if applicable, could exist. It also will not assume, in any event, liability for directly or indirectly guaranteeing the successful outcome of the operation, or execute guarantees or guaranties, or enter into pacts for the repurchase or substitution of the Credit Rights, in accordance with the provisions set forth in section 2.2.9. of this Supplemental Addendum, all in fulfilment of the provisions set forth in Royal Decree 926/1998 and other applicable legislation.

All of the aforementioned is without prejudice to the Assignor's liability for the administration of the assigned Credit Rights pursuant to the provisions of the Administration Contract and the liabilities derived from the Loan Agreement for the Initial Expenses and the Loan for the Reserve

Fund, without prejudice to the liability that is derived from the declarations made by the Assignor and included in section 2.2.8. of this Supplemental Addendum. Until the Formation Date, as regards the Initial Credit Rights, or until the corresponding Replacement Dates, as regards the Additional Credit Rights, the Assignor shall continue to assume the risk of insolvency of the Debtors.

If the Fund were bound to pay third parties any amount due to the assignment of the Credit Rights, which had not been paid on the Formation Date or on the corresponding Replacement Date, whichever may be applicable, due to the fact that the information on the Credit Rights provided by the Assignor was incomplete, the Assignor shall be liable to the Fund for any damage, expense, tax or fine that may be derived for the Fund.

3. The Assignor will not make any advance payment to the Fund on behalf of the Debtors, whether for the principal or interest of the Credit Rights.
4. The Fund, as the owner of the Credit Rights, shall be vested with the rights of the Debtor recognised in article 1528 of the Civil Code. Specifically, it shall be entitled to receive all payments made by Debtors as from the Formation Date or from the corresponding Replacement Date and any other payment that may be derived from the Credit Rights.

Specifically, and purely for informational purposes, as from the Formation Date regarding the Initial Credit Rights or as from the corresponding Replacement Date regarding the Additional Credit Rights, the assignment shall give the Fund the following rights with respect to each one of the Credit Rights:

- (a) To receive the total amounts that may be accrued and that may be collected for the reimbursement of capital or principal of the pending instalments of the Credit Rights.
- (b) To receive the totality of the amounts due and collected as financial charges or ordinary interest due on the capital of the Credit Rights.

(c) To receive any other payment that Banco de Sabadell, S.A. may receive for the Credit Rights, such as the rights derived from any accessory right or guaranties pertaining to the same, except for taxes and the residual value of the leased assets, excluding late interest, commissions for claims of unpaid receipts or any other commission or fee that may correspond to Banco de Sabadell, S.A. In particular, and including but not hereby limited to, the amounts paid by the Debtors corresponding to the concept of Value Added Tax shall not be assigned to the Fund, but rather they shall be collected by the Administrator and deposited by the same with Public Finance.

(d) To receive any other amounts, assets or rights that may be received by Banco de Sabadell, S.A. in payment of principal of the instalments or a financial charge or ordinary interest, for both the amount determined by judicial resolution and for the amount resulting from the recovery and enforcement of the leased assets up to the amount assigned and owed once the residual value of the said amounts has been paid to Banco de Sabadell, S.A.

The yield of the Loans that constitute deposits to the Fund will not be subject to interim retention of Corporation Tax, as established in Royal Decree 1777/2004, dated June 30, in which the Corporation Tax regulations are approved.

5. The rights of the Fund resulting from the Credit Rights are linked to the payments realised by the Debtors, and as a result they remain directly affected by the evolution, delay, early redemption or any other development regarding the Credit Rights.
6. The Fund will assume all possible expenses or costs that are charged to the Assignor derived from the collection process in the case of default by the Debtors on their obligations, including the exercise of legal action against the same.

3.4 EXPLANATION OF THE FLOW OF FUNDS

3.4.1 How the flow of assets will enable the issuer to fulfil its obligations to the bondholders

Payment by the Assignor to the Fund of the amounts received through the Credit Rights that it administers shall be made as follows:

Monthly, the Assignor will transfer to the Treasury Account of the Fund all amounts received for any concept to which the Fund may be entitled to receive for the Credit Rights that it administers. The said transfer shall be made monthly during the first five (5) business days of the corresponding month.

If the Fund Manager considers it necessary in order to better defend the interests of the Bondholders, and only in the event of the mandatory replacement of the Assignor as the administrator of the Credit Rights, the Fund Manager will instruct the Assignor to notify each and every one of the debtors of the Credit Rights that, as from the date of the notice, they should make all payments for which they are bound by the Credit Rights directly into the Treasury Account opened in the Fund's name at the Payment Agent.

Under no circumstances will the Assignor pay any amount whatsoever into the Fund that it has not received from the Debtors as payment of the Credit Rights.

Quarterly on each Payment Date, the Bondholders of Classes A, B and C shall be paid for the accrued interest, as long as the Fund has sufficient liquidity to do so in accordance with the Payment Priority Order that is included in section 3.4.6 of this Supplemental Addendum.

The reimbursement of principal of the Bonds of each of the Classes A, B and C shall be made quarterly on each Payment Date as from the Payment Date immediately following the ordinary end, meaning 19 March 2008, or the early end of the Replacement Period, and it shall be made pursuant to the conditions established for each one thereof and pursuant to the Payment Priority Order included in section 3.4.6 of this Supplemental Addendum.

On each Payment Date, the Available Funds for covering the Issuer's obligations with the Securities Holders shall be the income obtained from the Credit Rights under the concept of principal and interest calculated on each Determination date; the interest accrued from the Treasury Account and from the Principal

Account; the Net Amount in favour of the Fund by virtue of the Swap Contract; the amount of the Reserve Fund; the product of the settlement, if pertinent and when applicable, of the Assets of the fund; and, if applicable, the amounts drawn down from the Generalitat's Guarantee.

On each Payment Date, the Available Principal Funds, as defined in section 4.9.3 of the Securities Prospectus, shall be the Available Amount of Principal retained in the seventh place (7) of the Payment Priority Order on the corresponding Payment Date, plus the balance of the Principal Account exclusively on the Determination Date immediately prior to the Payment Date in progress.

Until the Replacement Date corresponding to 19 March 2008, inclusive, meaning the last Replacement Date or the Payment Date immediately after the date when the early end of the Replacement Period may occur, all amounts applied to amortisation of the bonds shall be deposited in the Principal Account, thereby being used in their totality for the following:

- (e) As from the Formation Date until the last Replacement Date, for payment of the acquisition price of the Additional Credit Rights. The remainder of the Available Principal Funds not used for the acquisition of the Additional Credit Rights on the corresponding Replacement Date will remain deposited in the Principal Account.
- ii) As from the Payment Date immediately following either the ordinary or early end of the Replacement Period, the amortisation rules of the Bonds of Classes A, B and C shall be applied pursuant to the rules for the Distribution of the Available Principal Funds that are included in section 4.9.4 of the Securities Prospectus.

3.4.2 Information on credit improvements

3.4.2.1. Description of credit improvements

In order to consolidate the financial structure of the fund, to increase the security or regularity of the payment of the bonds, to cover the temporary lags between the calendar of the flow of principal and interest of the Credit Rights and Bonds or, in general, to transform the financial characteristics of the issued Bonds, as well as to complement the administration of the Fund, the Fund Manager, in representation of the Fund, shall proceed, in the act of formally executing the Deed of Formation, to formalise the contracts and operations enumerated below in compliance with the applicable legislation.

- ≡ Generalitat's Guarantee for Series A(G) Bonds: The Generalitat's Guarantee will secure, with a waiver to the benefit of discussion established in article 1830 of the Civil Code, the payments of the principal and the interest of the A(G) Bonds.
- ≡ Guaranteed rate accounts: The accounts opened on behalf of the Fund by the Fund Manager (Treasury Account and Principal Account) are remunerated at agreed rates such that a minimum return on the balances of each of them is guaranteed.
- ≡ Reserve Fund: Formed as from the disbursement of the Loan for the Reserve Fund, which will allow making payments to the Fund in the event of losses due to Unpaid or Delinquent Defaulted Rights.
- ≡ Interest Swap The interest rate swap is intended to cover: (i) the interest rate risk of the Fund due to the fact that the Credit Rights are subject to variable interest rates tied to different indices of reference and adjustment periods than those established for the Bonds, (ii) the risk posed by the fact that the Credit Rights may subject to renegotiations that decrease the agreed interest rate, and (iii) the risk derived from the existence of maximum interest rates in the portfolio.
- ≡ Subordination and postponement of Series B and C.

Series A(S):

- i) Rights to the Credit Rights.
- ii) Yields on the Treasury Account and the Principal Account.
- iii) Reserve Fund.
- iv) Coverage of the Fund's interest rate risk, the risk of renegotiating interest rates and the risk derived from the existence of maximum interest rates, through the Interest Swap agreement.

- v) Excess gross margin of 0.65% through the Interest Swap agreement.
- vi) Subordination and postponement of interest payments of Series B and C.
- vii) Subordination of the amortisation of the principal on Series A(G), B and C: qualified by the commencement of the amortisation on a deferred, prorated basis and interruption of the prorated amortisation under certain circumstances:

Series A(G):

- i) Rights to the Credit Rights.
- ii) Yields on the Treasury Account and the Principal Account.
- iii) Generalitat Guarantee.
- iv) Reserve Fund
- v) Coverage of the Fund's interest rate risk, the risk of renegotiating interest rates and the risk derived from the existence of maximum interest rates, through the Interest Swap agreement.
- vi) Excess gross margin of 0.65% through the Interest Swap agreement.
- vii) Subordination and postponement of interest payments of Series B and C.
- viii) Subordination of the amortisation of the principal of Series B and C, qualified by the deferred start of pro rata amortisation and the interruption of that pro rata amortisation under certain circumstances.

Series B:

- i) Rights to the Credit Rights.
- ii) Yields on the Treasury Account and the Principal Account.
- iii) Reserve Fund.
- iv) Coverage of the Fund's interest rate risk, the risk of renegotiating interest rates and the risk derived from the existence of maximum interest rates, through the Interest Swap agreement.
- v) Excess gross margin of 0.65% through the Interest Swap agreement.
- vi) Subordination and postponement of interest payments of Series C.

- vii) Subordination of the amortisation of the principal of Series C: qualified by the commencement of the amortisation on a deferred, prorated basis and interruption of the prorated amortisation under certain circumstances:

Series C:

- i) Rights to the Credit Rights.
- ii) Yields on the Treasury Account and the Principal Account.
- iii) Reserve Fund
- iv) Coverage of the Fund's interest rate risk, the risk of renegotiating interest rates and the risk derived from the existence of maximum interest rates, through the Interest Swap agreement.
- v) Excess gross margin of 0.65% through the Interest Swap agreement.

3.4.2.2. Reserve Fund

As a guarantee mechanism against possible losses due to Unpaid or Defaulted Credit Rights and in order to allow the payments to be made by the Fund in accordance with the Payment Priority Order described in section 3.4.6. of this Supplemental Addendum, a deposit shall be formed and be called the Reserve Fund (hereinafter, the "*Reserve Fund*").

The initial Reserve Fund shall be formed on the Disbursement Date, charged to the disbursement of the Loan for the Reserve fund, in the amount of nine million five hundred thousand (9,500,000) euros.

On each payment date as from the ordinary or early end of the Replacement Period, the Reserve Fund shall be applied to satisfying the payment obligations contained in the Payment Priority Order, in accordance with the Payment Priority Order set forth in section 3.4.6. of this Supplemental Addendum.

In accordance with the Payment Priority Order, on each Payment Date the Reserve Fund will be replenished to reach the minimum level according to the rules established below.

The Minimum Level of the Reserve Fund shall be the lower of the following amounts:

1.90% of the Total Amount of the Bond Issue.

3.80% of the Outstanding Balance of Principal of the Bonds.

The Reserve Fund cannot be reduced in the concurrence of the following circumstances:

- During the first three years of the life of the Fund.
- That on the previous Payment Date, the Reserve Fund had not been reached the Reserve Fund amount required on that Payment Date.

The Outstanding Balance of the Credit Rights with an unpaid amount equal to or greater than ninety (90) days and less than twelve (12) months is greater than 1% of the Outstanding Balance of the Credit Rights.

Under no circumstance can the Minimum Level of the Reserve Fund be less than three million seven hundred fifty thousand (3,750,000) euros.

The amount of the reserve fund shall remain deposited in the treasury account, remunerated in the terms of the account opening contract at a guaranteed rate of interest (treasury account).

3.4.3 Details of subordinate debt financing

The Fund Manager warrants that the summarised descriptions of the contracts by means of which the operations were formalised, contained in the corresponding parts, which it shall subscribe in the name and on behalf of the Fund, contain the most substantial and relevant information on each one of the contracts and faithfully reflect the contents.

All the contracts that are described below shall be terminated in the event that the provisional ratings granted by the Ratings Agency are not confirmed.

3.4.3.1. Loan for Initial Expenses.

The Fund Manager, on behalf of and representing the Fund, will enter into a subordinated commercial loan agreement with Banco Sabadell, S.A. (hereinafter the "*Loan for Initial Expenses*") in the amount of 440,000 euros.

The amount of the Loan for Initial Expenses shall be deposited on the Disbursement Date in the Treasury Account opened with the Payment Agent.

The amount of the Loan for Initial Expenses will be used by the Fund Manager to pay the formation expenses of the Fund and the Bond issue. An estimate of the initial expenses is shown in part 6 of the Prospectus Schedule.

The Loan for Initial Expenses shall be paid off based on an adjustable interest rate equal to the Reference Interest Rate of the Bonds in force at any given time plus a differential of 1%. The payment of said interests shall be subject to the Priority Payment Order set forth in section 3.4.6. below.

The Payment Dates of the interest on the Loan for Initial Expenses shall coincide with the Payment Dates of the Bonds in accordance with the provisions in the Deed of Formation and in the Informative Prospectus.

The accrued interest to be paid on a determined Payment Date shall be calculated based on a calendar year consisting of 360 days and considering the effective days existing in each Interest Accrual Period.

The interest on the Loan for Initial Expenses shall be settled and be enforceable at the maturity of each Interest Accrual Period, on each one of the Payment Dates and until the full amortisation of the Loan for Initial Expenses. The first settlement date shall coincide with the first Payment Date.

Amortisation shall be made quarterly by the amount that the initial expenses would have been amortised, in accordance with the official accounting of the Fund, and in any event during the maximum period of five (5) years as from the formation of the Fund. The first amortisation shall take place on the first Payment Date, 19 March 2006, and the remaining amortisations on the following Payment Dates, all pursuant to the Payment Priority Order established in the following section 3.4.6.

All amounts payable to Banco de Sabadell, S.A., for both the amortisation of principal and accrued interest due on the Loan for Initial Expenses, shall be subject to the Priority Payment Rules set forth in section 3.4.6 below. As a consequence, they shall only be paid to Banco de Sabadell, S.A. on a specific Payment Date if the Available Principal Funds on said Payment Date are sufficient to meet the obligations of the Fund listed in sections (i) to (xiii) of the aforementioned section for interest and (i) to (xiv) for the principal.

All the amounts which, by virtue of the provisions set forth in the previous paragraphs, have not been surrendered to Banco de Sabadell, S.A. shall be paid on the next Payment Dates on which the Available Principal Funds allow said payment in accordance with the Payment Priority Order established in section 3.4.6 below.

The amounts owed to Banco de Sabadell, S.A. and unpaid by virtue of the provisions set forth in the preceding paragraphs shall not accrue late interest in favour thereof.

3.4.3.2. Loan for the Reserve Fund

Banco de Sabadell, S.A. shall grant, in accordance with the provisions in the Loan Agreement for the Reserve Fund, a subordinated loan to the Fund (hereinafter, the *"Loan for the Reserve Fund"*) assigned by the Fund Manager to the initial endowment of the Reserve Fund.

The total amount of the Loan for the Reserve Fund shall be nine million five hundred thousand (9,500,000) euros. The amount of the Loan for the Reserve Fund shall be deposited in the Treasury Account on the Disbursement Date.

The Loan for the Reserve Fund shall be paid off based on an annual interest rate, variable quarterly, equal to the Reference Interest Rate of the Bonds in force at any given time plus a differential of 1.50%.

For interest calculations, a 360-day year shall be used as the basis, thereby calculating such interest on the exact number of calendar days elapsed.

The payment of said interest shall be subject to the Priority Payment Order described in section 3.4.6. below.

The Loan for the Reserve Fund shall be amortised on each Payment Date by an amount equal to the amount by which the Minimum Level of the Reserve Fund is reduced on each Payment Date, subject to the Payment Priority Order set forth in section 3.4.6 below.

All amounts payable to the Assignor, for both amortisation of principal and accrued interest payments on the Loan for the Reserve Fund, shall be subject to the Priority Payment Order set forth in section 3.4.6 below. As a consequence, they shall only be paid to the Assignor on a Payment Date if the Available Funds of the Fund on said Payment Date are sufficient to meet the obligations of the Fund listed in sections (i) to (xi) of the aforementioned section for interest and (i) to (xii) for the principal.

All the amounts which, by virtue of the provisions set forth in the previous paragraphs, have not been delivered to Banco de Sabadell, S.A. shall be paid on the next Payment Dates on which the Available Funds allow said payment in accordance with the established Payment Priority Order.

The amounts owed to Banco de Sabadell, S.A. and unpaid by virtue of the provisions set forth in the preceding paragraphs shall not accrue late interest in favour thereof.

3.4.3.3. Subordination of the Bonds of Series B and Series C

The payment of interest and the repayment of the principal on Series B Bonds are down-ranked with respect to the Class A Bonds (Series A(S) and A(G)), according to the Payment Priority Order and the Fund Settlement Payment Priority Order set forth in part 3.4.6 below.

The payment of interest and the repayment of the principal on Series C Bonds are down-ranked with respect to the Class A Bonds (Series A(S) and A(G)) and of

Series B, according to the Payment Priority Order and Fund Settlement Payment Priority Order set forth in part 3.4.6 below.

Notwithstanding the aforementioned, section 4.9.4. of the Securities Prospectus describes the circumstances under which the Class A, B and C Bonds may, exceptionally, be amortised on a prorated basis.

The details of the order in which the interest and principal on the Bonds in each Series are paid according to the Fund Payment Priority Order are shown in sections 4.6.1. and 4.6.2.

3.4.4 Parameters for the investment of temporary surpluses and parties responsible for such investments

Temporary cash surpluses will be deposited in the Treasury Account and the Principal Account, remunerated at a guaranteed interest rate as described below.

3.4.4.1. Treasury Account

The Fund will set up a bank account in the Fund's name (hereinafter the "*Treasury Account*") at Banco de Sabadell, S.A., in accordance with the provisions in the Payment Agency Contract, whereby all payments receivable by the Fund from the Assignor coming from the Credit Rights will be made on each Collection Date, and by virtue of which the Payment Agent shall guarantee a return on the amounts deposited in the same.

The Fund, through the Fund Manager, agrees that all cash amounts that the Fund may receive shall be deposited in the Treasury Account, the majority of which shall come from the following concepts:

- i) cash amount net of underwriting and Placement commission for the payment of the subscription of the Note Issue;
- ii) draw-down of the principal of the Subordinated Loan for Initial Expenses and of the Loan for the Reserve Fund;

- iii) the amounts that are paid to the Fund derived from the Interest Rate Swap Agreement;
- iv) the amounts of the returns obtained for the balances of the Treasury Account itself and of the Principal Account; and
- v) the amounts of the withholdings on account for the yield of the movable capital that on each Payment Date has to be made for the interest of the Notes paid by the Fund, until the moment on which they must be paid to the Tax Authority.
- (vi) Reimbursed principal and interest collected on the Leases.
Amounts drawn down against the Generalitat's Guarantee.

All payments of the Fund shall be made through the Treasury Account, in accordance with the instructions given by the Fund Manager.

The Treasury Account cannot have a negative balance against the Fund. The balance of the Amortisation Account shall be maintained in cash.

The amounts deposited in the Treasury Account will accrue interest in the Fund's favour at an adjustable interest rate equal to the EURIBOR of reference. The EURIBOR and the method of calculating the interest payable on the Treasury Account will be determined in the Guaranteed Interest Rate Contract (*Treasury Account*).

Banco de Sabadell, S.A. guarantees a nominal annual interest rate, variable quarterly, with monthly accrual and settlement, except for the first interest accrual period, which will have a shorter duration (between the Formation Date and the last day of the calendar month in which the formation date falls), applicable for each interest accrual period (calendar months, different than the Interest Accrual Periods established for the bonds) by the positive daily amounts that may be shown in the Treasury Account, equal to the Interest Rate of Reference of the Bonds determined for each Interest Accrual Period, and applicable as from the first day of the calendar month following each Payment Date (except for the first interest accrual period, which will be applied as from the Formation Date). The accrued interest that will be settled during the first five (5) business days of the following month will be calculated based on the following: (i) the effective days of each interest accrual period, and (ii) a three-hundred-and-

sixty-five (365) day year. The first interest settlement date will take place between 2 January 2006 and 9 January 2006, thereby accruing interest from 1 December 2005 until 31 December 2005, inclusive.

In the event that the unsubordinated and unsecured short term debt of Banco de Sabadell, S.A. experienced, at any time during the life of the issue of the Bonds, a drop below F-1 according with the rating scale of Fitch, or an equivalent rating specifically recognised by the Ratings Agency, the Fund Manager shall, within the maximum term of thirty (30) Business Days as from the moment that such a situation occurs, exercise any of the options described below that allow maintaining an adequate guarantee level regarding the commitments derived from this contract:

- a. Obtain, from a financial entity with a minimum credit rating for its F-1 unsecured and unsubordinated short term debt according to the rating scale of Fitch, without thereby jeopardising the rating granted to the Bonds by the Rating Agency, a first-demand guarantee that secures for the Fund, at the simple demand of the Fund Manager, the timely payment by Banco Sabadell of its reimbursement obligation of the amounts deposited in the Amortisation Account during the time that the F-1 rating is lost by Banco Sabadell.
- b. Move the Treasury Account of the Fund to an entity whose unsecured and unsubordinated short term debt has a minimum credit rating of F-1 according to the rating scale of Fitch and arrange the maximum return for the balances thereof, which may be different than what was agreed with Banco de Sabadell, S.A. by virtue of the said Contract.
- c. In case options a) and b) above were not possible, obtain from Banco de Sabadell, S.A. or from a third party a pledge guarantee in favour of the Fund over financial assets with a credit quality no lower than that of the Spanish State Public Debt, for a sufficient amount for guarantying the commitments assumed in this contract and which does not jeopardise the ratings assigned to the Bonds by the Ratings Agency.
- d. If neither of the aforementioned options is possible under the terms provided, the Fund Manager may invest the balances, for quarterly periods at the maximum, in short-term fixed-rate assets in euros issued

by entities with a minimum credit rating of F-1 (for inverted balances for periods of less than 30 days or F-1+ for inverted balances for longer periods) for short term debt, according to the rating scale of Fitch, including short-term securities issued by the Spanish State, wherefore it may be possible, likewise in this case, that the return obtained is different from what is initially obtained from Banco de Sabadell, S.A. by virtue of the said Contract.

- e. In both situations b) and d), the Fund Manager will subsequently be entitled to move back the balances to Banco de Sabadell, S.A. under the Guaranteed Interest Rate Contract ("*Treasury Account*") in the event that the unsecured and unsubordinated short term debt of Banco de Sabadell, S.A. again reaches the F-1 rating in accordance with the Fitch scale.

3.4.4.2. Principal Account

The Fund will open a bank account with Banco de Sabadell, S.A. in the Fund's name (hereinafter, the "*Principal Account*") into which all amounts shall be deposited on the Payment Date and during the Replacement Period, and which amounts would have been assigned to amortisation of principal of the Bonds of Classes A, B and C during the said period.

The Principal Account cannot have a negative balance against the Fund. The balance of the Principal Account shall be maintained in cash.

Banco de Sabadell, S.A. guarantees a nominal annual interest rate, variable quarterly, with monthly accrual and settlement, except for the first interest accrual period, which will have a shorter duration (between the Formation Date and the last day of the calendar month in which the formation date falls), applicable for each interest accrual period (calendar months, different than the Interest Accrual Periods established for the bonds) by the positive daily amounts that may be shown in the Treasury Account, equal to the Interest Rate of Reference of the Bonds determined for each Interest Accrual Period, and applicable as from the first day of the calendar month following each Payment Date (except for the first interest accrual period, which will be applied as from the Formation Date). The accrued interest that will be settled during the first five (5) business days of the following month will be calculated based on the following: (i) the effective days of each interest accrual period, and (ii) a three-hundred-and-

sixty-five (365) day year. The first interest settlement date will take place between 2 January 2006 and 9 January 2006, thereby accruing interest from 1 December 2005 until 31 December 2005, inclusive.

The amounts deposited in the Principal Account will accrue interest in the Fund's favour at an adjustable interest rate equal to the EURIBOR of reference. The EURIBOR and the method of calculating the interest payable on the Principal Account will be determined in the Guaranteed Interest Rate Contract ("*Principal Account*").

In the event that the unsubordinated and unsecured short term debt of Banco de Sabadell, S.A. experienced, at any time during the life of the issue of the Bonds, a drop below F-1 according with the rating scale of Fitch, or an equivalent rating specifically recognised by the Ratings Agency, the Fund Manager shall, within the maximum term of thirty (30) Business Days as from the moment that such a situation occurs, exercise any of the options described below that allow maintaining an adequate guarantee level regarding the commitments derived from the said Contract:

- (a) Obtain, from a financial entity with a minimum credit rating for its F-1 unsecured and unsubordinated short term debt according to the rating scale of Fitch, without thereby jeopardising the rating granted to the Bonds by the Rating Agency, a first-demand guarantee that secures for the Fund, at the simple demand of the Fund Manager, the timely payment by Banco Sabadell of its reimbursement obligation of the amounts deposited in the Treasury Account during the time that the F-1 rating is lost by Banco Sabadell.
- (b) Move the Amortisation Account of the Fund to an entity whose unsecured and unsubordinated short term debt has a minimum credit rating of F-1 according to the rating scale of Fitch and arrange the maximum return for the balances thereof, which may be different than what was agreed with Banco de Sabadell, S.A. by virtue of the said Contract.
- (c) In case options a) and b) above were not possible, obtain from Banco de Sabadell, S.A. or from a third party a pledge guarantee in favour of the Fund over financial assets with a credit quality no lower than that of the Spanish State Public Debt, for a sufficient amount for guarantying the

commitments assumed in this Contract and which does not jeopardise the ratings assigned to the Bonds by the Ratings Agency.

- (d) If neither of the aforementioned options is possible under the terms provided, the Fund Manager may invest the balances, for quarterly periods at the maximum, in short-term fixed-rate assets in euros issued by entities with a minimum credit rating of F-1 (for inverted balances for periods of less than 30 days or F-1+ for inverted balances for longer periods) for short term debt, according to the rating scale of Fitch, including short-term securities issued by the Spanish State, wherefore it may be possible, likewise in this case, that the return obtained is different from what is initially obtained from Banco de Sabadell, S.A. by virtue of the said contract.
- (e) In both situations b) and d), the Fund Manager will subsequently be entitled to move back the balances to Banco de Sabadell, S.A. under the Guaranteed Interest Rate Contract ("*Principal Account*") in the event that the unsecured and unsubordinated short term debt of Banco de Sabadell, S.A. again reaches the F-1 rating in accordance with the Fitch scale.

3.4.5 Collection by the Fund of payments on the assets

The Administrator shall manage the collection of all amounts that may have to be satisfied by the Debtors and that are derived from the Credit Rights, as well as for any other concept.

The Administrator shall use due diligence so that the payment that the Debtors must make will be collected in accordance with the contractual terms and conditions of the Credit Rights.

The Administrator will transfer to the Fund's Treasury Account all amounts received for any item to which the Fund is entitled to receive for the Credit Rights that it administers. The said transfer shall be made monthly during the first five (5) business days of the corresponding month.

Under no circumstances will the Administrator pay any amount whatsoever into the Fund that it has not first received from the Debtors as payment of the Credit Rights.

In the event that the unsubordinated and unsecured short term debt of Banco de Sabadell, S.A. experienced, at any time during the life of the issue of the Bonds, a drop below F-1 according with the rating scale of Fitch, or an equivalent rating specifically recognised by the Ratings Agency, the Fund Manager shall, within the maximum term of thirty (30) Business Days as from the moment that such a situation occurs, exercise any of the options described below that allow maintaining an adequate guarantee level regarding the commitments derived from these contracts:

- i) Obtain, from a financial entity with a minimum credit rating for its F-1 unsecured and unsubordinated short term debt according to the rating scale of Fitch, without thereby jeopardising the rating granted to the Bonds by the Rating Agency, a first-demand guarantee that secures for the Fund, at the simple demand of the Fund Manager, the timely payment by Banco Sabadell of its reimbursement obligation of the amounts deposited in the Treasury Account, and, if applicable, in the Principal Account, during the time that the F-1 rating is lost by Banco Sabadell.
- ii) Move the Treasury Account of the Fund and the Principal Account, where applicable, to an entity whose unsecured and unsubordinated short term debt has a minimum credit rating of F-1 according to the rating scale of Fitch and arrange the maximum return for the balances thereof, which may be different than what was agreed with Banco de Sabadell, S.A. by virtue of those contracts.
- iii) In case options a) and b) above were not possible, obtain from Banco de Sabadell, S.A. or from a third party a pledge guarantee in favour of the Fund over financial assets with a credit quality no lower than that of the Spanish State Public Debt, for a sufficient amount for guarantying the commitments assumed in these contracts and which does not jeopardise the ratings assigned to the Bonds by the Ratings Agency.
- iv) If neither of the aforementioned options is possible under the terms provided, the Fund Manager may invest the balances, for quarterly periods

at the maximum, in short-term fixed-rate assets in euros issued by entities with a minimum credit rating of F-1 (for inverted balances for periods of less than 30 days or F-1+ for inverted balances for longer periods) for short term debt, according to the rating scale of Fitch, including short-term securities issued by the Spanish State, wherefore it may be possible, likewise in this case, that the return obtained is different from what is initially obtained from Banco de Sabadell, S.A. by virtue of the said contract.

- v) In both situations b) and d), the Fund Manager will subsequently be entitled to move back the balances to Banco de Sabadell, S.A. under the Guaranteed Interest Rate Contract (Treasury Account), and, if applicable, under the Guaranteed Interest Rate Contract (Principal Account) in the event that the unsecured and unsubordinated short term debt of Banco de Sabadell, S.A. again reaches the F-1 rating in accordance with the Fitch scale.

3.4.6 Order of priority of payments made by the issuer

Ordinary and exceptional rules governing priority and fund allocation

On the disbursement date

1. Origin.

On the disbursement date, the Fund shall have assets available for the following items:

- (i) Funds received from issuing and placing the Bonds on the market.
- (ii) Funds received in connection with the Loan for Initial Expenses.
- (iii) Funds received in connection with the Reserve Fund Loan.

2. Application.

On the disbursement date, the Fund shall allocate the aforementioned funds to payment of the following:

- (i) Payments under the concept of the purchase of the Initial Credit Rights that are pooled into the Fund at the time of Formation.
- (ii) Payment of the initial expenses of the Fund in accordance with the provisions set forth in section 3.4.3 of this Supplemental Addendum.
- (iii) Endowment of an Initial Reserve Fund.

As from the Fund Disbursement Date and through the Fund Settlement Date, exclusive.

On each Payment Date that is neither the Final Payment Date nor the Early Settlement Date of the Fund, the Fund Manager will proceed to successively apply the Available Funds and the Available Principal Amount, and in the payment priority order established below for each payment (hereinafter, the *"Payment Priority Order"*).

1. Fund origin

The Funds Available on each Payment Date to satisfy the payment or withholding obligations listed below shall be the amounts deposited in the Treasury Account and in the Principal Account during the Replacement Period corresponding to the following items:

- i) Income earned on the Credit Rights in the form of principal and interest calculated on each Determination Date as follows:
 - (a) With regard to the Principal, the income earned between the last day of the calendar month prior to and excluding the previous Determination Date and the last day of the calendar month prior to and including the current Determination Date, except for the first Determination Date, which shall be the income earned

between the Disbursement Date, inclusive, and the last day of the calendar month prior to the current Determination Date, inclusive.

- (b) With regard to the interest, the income earned between the last Determination Date, inclusive, and the current Determination Date, exclusive, except for the first Determination Date, in which case it shall be the income earned between the Disbursement Date, inclusive, and the Determination Date, exclusive.
- ii) Returns on the balances of the Treasury Account and the Principal Account.
- iii) The amount corresponding to the Reserve Fund on the Determination Date preceding the corresponding Payment Date.
- iv) If applicable, the net amounts received by the Fund under the Interest Swap Contract and the amounts of the settlement received by the Fund if the said contract is terminated.
- v) The proceeds of the settlement and, where applicable, of the Fund's assets.
- vi) If applicable, the drawn-down amounts of the Generalitat's Guarantee.

2. Application of Funds

In general, the Available Funds will be applied on each Payment Date to the following items, hereby establishing the order of priority for payments as shown below if there are insufficient funds:

- (i) Payment of ordinary and extraordinary taxes and expenses of the Fund, hereby including the fee of the Fund Manager and excluding the payment to the Administrator of the corresponding fee for Administration of the Credit Rights, except in the case of substitution provided for in section 3.7.2.4 of this Supplemental Addendum.

- (ii) Payment of the net amount due under the Swap Contract and payment of the settlement amount, but only if the agreement is terminated because of a breach by the Fund.
- (iii) Payment of the accrued interest of the Series A(S) and A(G) Bonds, due and payable on previous payment dates, and reimbursement to the Generalitat of the amounts paid to the Fund for draw-downs of the Guarantee for the payment of interest on the guaranteed Series A(G) Bonds and not returned on previous payment dates (pro rata).
- (iv) Payment of interest on Series A(S) and A(G) bonds (prorated) accrued since the previous Payment Date.
- (v) Payment of the interest of the Series B bonds, except for the down-ranking of this payment to 8th place in the order of priority. This payment will be down-ranked to 8th place when a Principal Deficit could be generated on this Payment Date by an amount greater than the sum of (a) 50% of the Outstanding Balance of Principal of the Series B Bonds plus (b) 100% of the Outstanding Balance of the Principal of the Series C Bonds, and as long as the full amortisation of the Class A Bonds and the reimbursement of the amounts owed to the Generalitat for executing the Guarantee for the amortisation of Series AG had not occurred already or were not going to occur on the corresponding Payment Date.
- (vi) Payment of the interest of Series C Bonds, except for the case of down-ranking to 10th place in the Payment Priority Order. This payment will be down-ranked to 9th place when a Principal Deficit could be generated on this Payment Date by an amount greater than 50% of the Outstanding Balance of Principal of the Series C Bonds, and as long as the full amortisation of the Class A Bonds and the reimbursement of the amounts owed to the Generalitat for executing the Guarantee for the amortisation of Series AG and the full amortisation of the Series B Bonds had not occurred already or were not going to occur on the corresponding Payment Date.
- (vii) Retention of the Available Principal Amount. The Bonds will be amortised according to the rules established in part 4.9 of the Prospectus Schedule.

- (viii) Payment of the interest accrued by the Series B Bonds when this payment is down-ranked to 5th place in the Payment Priority Order as established in the said section.
- (ix) Payment of the interest accrued by the Series C Bonds when this payment is down-ranked to 6th place in the Payment Priority Order as established in the said section.
- (x) Retention of the Minimum Required Level of the Reserve Fund on the corresponding Payment Date.
- (xi) Payment of interest on the Reserve Fund Loan.
- (xii) Repayment of the principal on the Reserve Fund Loan.
- (xiii) Payment of the Amount Due as a result of the termination of the Financial Interest Swap, except under the circumstances indicated in (ii) above.
- (xiv) Payment of the interest on the Subordinate Loans for Initial Expenses.
- (xv) Repayment of the principal on the Loan for Initial Expenses.
- (xvi) Payment of the administration commission. Should the Administrator of the Credit Rights be replaced by another entity, the administration commission payment, which shall accrue in favour of the new third-party administrator, shall occupy the position held in the previous 1st order, together with the remaining payments described in the said section.
- (xvii) Brokerage fee payment.

The following shall be considered ordinary expenses of the Fund:

- a) Expenses that can derive from the obligatory verifications, inscriptions and administrative authorisations.

- b) Fees of the Ratings Agency for monitoring and maintaining the ratings of the Bonds.
- c) Expenses relative to the carrying out of the accounting registry of the bonds through their representation via account entries and for their admittance to trading on the secondary securities markets, and upkeep of the foregoing.
- d) The cost of auditing the annual accounts.
- e) Expenses derived from the amortisation of the Notes.
- f) Expenses derived from the announcements and notifications related to the fund and/or the bonds.

The following shall be considered extraordinary expenses of the Fund:

- a) If necessary, the expenses associated with preparing and formalising modifications to the Deed of Formation and contracts, as well as for any additional contracts.
- b) Expenses associated with executing the Credit Rights and those derived from the recovery actions that may be required.
- c) Expenses for auditing and legal advice;
- d) Any remaining initial costs of the constitution of the fund and the bond issue that exceed the amount of the loan for initial expenses.
- e) In general, any other necessary extraordinary expenses borne by the Fund or by the Fund manager in representation and on behalf of the same.

3. Other rules

In the event that the Available Funds were not sufficient to cover any of the amounts mentioned in the preceding paragraphs, the following rules will apply:

- The remaining Available Funds shall be applied pro rata between the amounts of each one that may be enforceable, thereby proceeding to distribute the applied amount to each concept by the order of maturity of the enforceable debits. The aforementioned notwithstanding, the amounts received against the Generalitat's Guarantee shall only be used on the next Payment Date upon receipt of the same only in order to cover shortages in the payment of principal and interest of Series A(G).

- The funds will be applied to the different items mentioned in the previous section in accordance with the established payment priority order, distributed on a prorated basis among those items entitled to receive payment.

- The amounts that remain unpaid will be placed, on the following Payment Date, in a priority position immediately before that of the item in question, with the exception of the interest on Series A(S) and A(G) Bonds, the order of which in the case of non-payment is explicitly detailed in the Payment Priority Order.

- Any amounts owed by the Fund and unpaid on their respective Payment Dates will not accrue additional interest.

On the Fund Settlement Date

The Fund Manager shall proceed to liquidate the Fund when the Fund is liquidated on the Statutory Maturity Date or the Payment Date on which the Early Settlement takes place as provided for in sections 4.4.3 and 4.4.4 of the Registration Document, by applying the Available Funds to the following items (hereinafter, the *"Funds Available for Settlement"*): (i) the available funds and (ii) the sums obtained by the Fund from the disposal of the Fund's remaining assets, according to the following Payment Priority Order (i.e., the *"Settlement Payment Priority Order"*):

- i) Reserve to cover the final tax, administrative or advertising expenses at the time of settlement.

- ii) Payment of taxes and ordinary and extraordinary expenses of the Fund, including the Fund Manager's commission.
- iii) Payment of the net amount due under the Swap Contract and payment of the settlement amount, but only if the agreement is terminated because of a breach by the Fund.
- iv) Payment of interest on Series A(S) and A(G) Bonds due and payable on previous payment dates and reimbursement to the Generalitat for the amounts paid to the Fund by draw-down of the Guarantee for the payment of interest on the guaranteed Series A(G) Bonds and not returned on previous payment dates (prorated).
- v) Payment of interest of the Series A(S) and A(G) Bonds (prorated) accrued as from the previous Payment Date.
- vi) In the event of the application of Rule 1 described in part 4.9.4 of the Prospectus Schedule, amortisation of the Series A(S) Bonds until they are fully amortised.
- vii) In the event of the application of Rule 1 described in part 4.9.4 of the Prospectus Schedule, amortisation of the Series A(G) Bonds until they are fully amortised and reimbursement of the Generalitat of the amounts paid to the Fund by drawdown of the Guarantee for the payment of interest on the Series A(G) bonds.
- viii) In the event of the application of Rule 2 described in part 4.9.4 of the Prospectus Schedule, amortisation of the Series A(S) and A(G) Bonds and reimbursement of the Generalitat of the amounts paid to the Fund by drawdown of the Guarantee for the payment of interest on the Series A(G) bonds.
- ix) Payment of the interest accrued by the Series B Bonds
- x) Amortisation of the principal of the Series B Bonds.

- xi) Payment of the interest accrued by the Series C Bonds.
- xii) Amortisation of the principal of the Series C Bonds.
- xiii) Interest accrued on the Reserve Fund Loan.
- xiv) Payment of the principal of the Reserve Fund Loan.
- xv) Interest accrued on the Loan for Initial Expenses.
- xvi) Repayment of the principal of the Loan for Initial Expenses.
- xvii) Payment of the amount payable by the Fund for the settlement of the Financial Interest Swap, except under the circumstances described in iii) above.
- xviii) Payment to the Administrator of the commission for administering the Credit Rights.
- xix) Financial brokerage fee.

When a priority order has debits for different items and the funds available for settlement are not sufficient to meet the payments due, the remainder of the funds available for settlement will be applied on a prorated basis, distributing the amount applied to each item based on the order of the maturity of demandable debits.

Available Principal Funds: origin and distribution

1. Origin.

On each Payment Date, the Available Principal Funds shall be the sum of the following amounts:

- The amount of the Available Amount of Principal on the Payment Date in progress and
- Sum of the Outstanding Balance of the Bonds on the Determination Date prior to the current Payment Date.

2. Distribution of the Available Principal Funds:

- During the Replacement Period, the payment of the assignment price reached by the nominal value of the capital of the Additional Credit Rights assigned to the Fund on the Replacement Date. The remainder of the Funds Available for Amortisation not used for the acquisition of the additional Loans will remain in deposit in the Amortisation Account.
- As from the Payment Date immediately following the date of the end of the Replacement Period, the amortisation rules of the Bonds shall apply.

3.4.7 Other agreements governing the payment of principal and interest to investors

3.4.7.1. Financial Interest Swap Contract ("*Swap*")

The Fund Manager will sign, on behalf of the Fund, a Financial Interest Swap Agreement or *Swap* with Banco de Sabadell, S.A., the most relevant terms of which are described below.

Under the Interest Swap Agreement, the Fund will make payments to Banco de Sabadell, S.A. calculated on the interest rates of the Credit Rights, and in exchange Banco de Sabadell, S.A. will make payments to the Fund calculated on the Interest Rate of the Bonds plus a margin, all pursuant to the following rules:

Party A: The Fund, represented by the Fund Manager

Party B: Banco de Sabadell, S.A.

- Settlement Dates: the settlement dates will coincide with the Bond Payment Dates.
- Notional of the Swap: it shall be the amount resulting from totalling the Outstanding Balance of Principal of the Bonds in each Series on the Determination Date prior to the Settlement Date in progress, decreased, if applicable, by the Principal Deficit on the preceding Settlement Date.
- Settlement Period for Party A: the days actually elapsed between two consecutive settlement dates, including the first and excluding the last. Exceptionally, the first settlement period will have a duration equivalent to the days elapsed between the Fund Formation Date (included) and the first Settlement Date (excluded).
- Variable Amount of Party A: it shall be the result of totalling (i) the accrued interest on non-defaulted Credit Rights plus (ii) the interest accrued from the Principal Account during the Settlement Period for Party A. Given that Banco de Sabadell, S.A. will report to the Fund Manager at the end of each month on the status of the portfolio, the Fund Manager will calculate the interest accrued during the period between the last day of the month before the Settlement Date and the Settlement Date, assuming that during that period (i) there are no early redemptions, (ii) no loans are classified as defaulted and (iii) there are no interest rate variations.
- Party A payments: On each Settlement Date of the Fund, Party A shall pay Party B the positive difference, if any, between the Party A Variable Amount and the Party B Variable Amount determined for the Settlement Period of Party A and the Settlement Period of Party B immediately preceding it.
- Settlement Period for Party B: the days actually elapsed between two consecutive settlement dates, including the first and excluding the last. Exceptionally, the first settlement period for will have a duration equivalent to the days elapsed between the Fund Disbursement Date (included) and the first Settlement Date (excluded).
- Variable Amount of Party B: calculated by applying the Interest Rate payable by Party B to the Notional of the Swap for the number of days in Party B's settlement period.

- Party B Payments: On each Settlement Date of the Fund, Party B shall pay Party A the positive difference, if any, between the Party B Variable Amount and the Party A Variable Amount determined for the Settlement Period of Party B and the Settlement Period of Party A immediately preceding it.
- Interest rate payable by Party B: for each settlement period for Party B, this will be the mean Nominal Interest Rate of the Bonds weighted by the Outstanding Principal for each bond series, plus a margin of 0.65%.
- The settlement basis will be 360 days.

The amounts payable under the Interest Swap Contract will be settled in such a way that if both the parties must make reciprocal payments, the part that owes the higher amount will make the payment in the amount of the excess.

Breach of the Interest Swap Agreement

If on any Payment Date the Fund (Party A) did not have sufficient liquidity to pay the entire net amount owed to Party B, the unpaid amount will be paid on the next Payment Date, provided the Fund has sufficient liquidity according to the Payment Priority Order. If the Fund were to fail to pay on two consecutive Payment Dates, the Swap Contract may be terminated at the request of Party B. In the event of termination, the Fund shall assume, where applicable, the obligation to the final settlement amount as foreseen in the terms of the Swap Contract in accordance with the Payment Priority Order. Notwithstanding the above, except in a situation of permanent alteration of the financial balance of the Fund, the Fund Manager, on behalf of the Fund, will attempt to sign a new interest swap contract under essentially identical conditions.

If Party B were to fail to meet its payment obligations for the full amount payable to the Fund on any Payment Date, the Fund Manager may choose to terminate the Interest Swap Contract. In this case, Party B would assume, where applicable, the obligation to pay the settlement amount foreseen in the Contract. If the Fund Manager were to exercise the early cancellation option, it must look for an alternative financial entity to replace Party B as quickly as possible.

The settlement amount will be calculated by the Fund Manager, as the calculation agent, based on the market value of the Interest Swap Contract.

Lowering of Party B's credit rating

If at any time during the life of the Bond Issue the credit rating of Party B's unsubordinated and unsecured debt were to fall below A for long term debt on the Fitch rating scale, Party B irrevocably assumes the commitment to choose one of the following options within thirty (30) days as from the date on which either of these circumstances occurs, under the terms and conditions deemed pertinent by the Fund Manager, subject to prior notice to the Ratings Agency, in order to maintain the ratings assigned to each one of the series by the Ratings Agency: (i) A third party entity with a credit rating for its unsubordinated and unsecured long term debt equal to or higher than A on the Fitch rating scales shall guarantee the fulfilment of its contractual obligations under the Interest Swap Contract; (ii) a third party entity with the same ratings as required for option (i) above shall assume its contractual position and replace it in the Interest Swap Contract or, if applicable, a new Interest Swap Contract will be entered into with the third party entity under the same terms and conditions as in the Interest Swap Contract; or (iii) set up a cash or pledged security deposit in favour of the Fund to guaranty compliance with the contractual obligations of Party B for an amount calculated, among other factors, according to the market value of the Interest Swap Contract so that the ratings assigned to the Bonds by the Ratings Agency were unaffected, if Party B has been assigned by Fitch a credit rating of at least F2 for its short term unsecured and unsubordinated debt, among other factors. If the ratings assigned to Party B were to drop below F2 or BBB+, take the steps in either option (i) or (ii) above, additionally. All costs, expenses and taxes incurred in the fulfilment of the preceding obligations shall be payable by Party B.

3.4.7.2. Generalitat's Guarantee

By resolution of the Department of Finance and Economy of the Generalitat de Catalunya, which will be signed prior to the Fund Formation Date, the Generalitat de Catalunya will issue a Fund Guarantee in the amount of 345,600,000 euros, as described below (hereinafter, the "*Guarantee*" or the "*Generalitat's Guarantee*"):

The Generalitat's Guarantee will secure, with a waiver to the benefit of discussion established in article 1830 of the Civil Code, the payments of the principal and the interest of the A(G) Bonds as a consequence of the non-payment of the Credit Rights. The Guarantee's effectiveness is contingent upon: (i) verification and registration of the Informative Prospectus of the Fund with the CNMV; (ii) granting of the Fund Formation Deed and (iii) the forwarding of the

documentation mentioned in the next paragraph to the Department of Finance and Economy of the Generalitat de Catalunya.

The Fund Manager shall forward the following to the Department of Finance and Economy of the Generalitat de Catalunya: (i) a copy of the letter or letters containing the provisional credit rating and, once issued, the definitive credit rating of the A(G) series bonds assigned by at least one rating agency acknowledged by the CNMV, (ii) certification by Banco de Sabadell, S.A. that the assets assigned to the Fund meet the conditions of the Framework Agreement and (iii) a copy of the Prospectus, one of version of which must be published in Catalan.

The Guarantee may be partially executed, there being no limit on the number of executions allowed.

The Guarantee will be called under the following circumstances for the amounts determined in each case:

1. On any Payment Date or on the Statutory Maturity Date or on the date of the Early Settlement of the Fund in which the Available Funds or the Funds Available for Settlement, whichever applies, were insufficient to pay the interest due on the A(G) Series, once all payments have been made according to the Payment Priority Order and the Settlement Payment Priority Order.

In this case, the Guarantee will be called for an amount equal to the difference between the amount of the interest due and payable on the A(G) series bonds and the amount of the available funds applied to payment on the corresponding payment date or the amount of the funds available for settlement applied on the fund settlement date.

The amounts received by the Fund to pay the interest due and payable on the A(G) Series as a result of the Guarantee being called shall be used for the payment of such interest without being subject to the Payment Priority Order or the Settlement Payment Priority Order.

2. On any payment date other than the Statutory Maturity Date or the Early Settlement Date of the Fund on which the Available Funds are insufficient for amortising the A(G) Series by the corresponding amount, pursuant to the rules for the distribution of the Available Funds among each class due to a Principal Deficit.

In this case, the Guarantee will be called for an amount equal to the difference between the amount of the principal of the Series A(G) Bonds which would have been amortised had there been no Principal Deficit and the amount of the Available Funds actually applied on the payment date in question.

The amounts received by the Fund as a result of executing the Guarantee to pay for the amortisation of the A(G) Series Bonds shall be used for the payment of such amortisation without being subject to the Payment Priority Order or the Settlement Payment Priority Order.

3. On the Statutory Maturity Date or Early Settlement Date of the Fund, when the Funds Available for Settlement are insufficient for amortising the A(G) Series in their entirety.

In this case, the Guarantee will be called for an amount equal to the difference between the Outstanding Balance of Principal of the A(G) Series and the amount of the Funds Available for Settlement actually applied to the amortisation on the date in question.

The amounts received by the Fund as a result of executing the Guarantee to pay for the amortisation of the A(G) Series Bonds shall be used for the payment of such amortisation without being subject to the Payment Priority Order or the Settlement Payment Priority Order.

Each time an amount is called against the Guarantee, the Fund Manager shall forward a written request to the Department of Finance and Economy accrediting the existence of the situation described in the previous paragraphs and the amount being claimed for each item. The request must be accompanied by a certificate issued by the entity acting as the financial agent on the funds available in the Treasury account on that date.

The Department of Finance and Economy of the Generalitat de Catalunya will proceed to disburse the amounts requested each time the Guarantee is called, depositing them in the Fund's Treasury Account within three months of the date on which the said amounts should have been paid to the Bondholders.

The Guarantee does not accrue any interest whatsoever.

The Fund Manager shall communicate to the Department of Finance and Economy of the Generalitat de Catalunya, on each Payment Date of the A(G) Series of Bonds, the outstanding balance of the same and also at the end of each fiscal year, an estimate of the financial charge thereof for the following fiscal year.

The amounts paid by the Generalitat de Catalunya under the Guarantee shall constitute an obligation to the Generalitat de Catalunya on the Fund's behalf, pursuant to the Payment Priority Order and the Settlement Payment Priority order established in the Deed of Formation of the Fund and part 3.4.6. of this Supplemental Addendum.

The amounts drawn down from the Guarantee, whether they have been used for the payment of interest or for the reimbursement of the principal of the A(G) Series of Bonds, shall be repaid on each of the following Payment Dates until paid in full. Payment shall be made against the Available Funds and the Available Funds for Settlement, thereby holding in the same positions in the priority order as the payment of the matured interest and the amortisation of the principal of the Series A(G) Bonds, in accordance with the Payment Priority Order of the Fund and the Settlement Payment Priority Order.

In the event that according to the above rules, on a Payment Date, the Fund, in addition to returning the drawn-down amount charged to the Generalitat de Catalunya, must request another amount to pay the interest or principal of the Series A(G) Bonds, the net amount to be requested, or if applicable, returned, to the Generalitat de Catalunya, will be calculated and applied.

The Guarantee will be cancelled when all Series A(G) Bonds have been fully amortised and in any event on the maturity date of the fund.

The Bonds of Series A(G) shall have a provisional rating of AAA by Fitch on the Formation Date. This rating was assigned by the Ratings Agency without considering the Generalitat's Guarantee in its analyses.

3.4.7.3. Financial brokerage contract.

Finally, the Fund Manager, on behalf of the Fund, will pay Banco de Sabadell, S.A. for the financial intermediation that has been performed and which has enabled the definitive financial transformation of the Fund's activity, the acquisition of the Credit Rights and the satisfactory rating of each Bond Series.

The remuneration paid to Banco de Sabadell, S.A. under this heading consists of a variable amount that is subject to the difference between the annual income and expenses, according to the Fund's official accounting records, less any negative tax bases from previous fiscal years which may be used to compensate the accounting results of the fiscal year for the purposes of the annual Corporate Income Tax payment.

This amount will accrue annually at the end of each financial year of the Fund. Notwithstanding the above, this fee will be paid in instalments on each one of the Payment Dates.

The Financial Brokerage Margin (between the amounts paid in advance and the Fund's results at the end of the fiscal year) will be adjusted on the first Payment Date of the next year, according to the Payment Priority Order shown in part 3.4.6. of this Supplemental Addendum, when the result of such adjustment is an amount payable by the Fund to Banco de Sabadell, S.A.

3.5 NAME, ADDRESS AND SIGNIFICANT ECONOMIC ACTIVITIES OF THE ASSIGNOR OF THE SECURITISED ASSETS

The originator and Assignor of the Credit Rights is BANCO DE SABADELL, S.A.

Banco de Sabadell, S.A., holder of Tax ID number A08000143, has its registered address in Sabadell, Plaza de Catalunya, number 1. Its central services and decision-making bodies are located at Calle Sena, 11, Polígono Can Sant Joan.

The business activities of Banco de Sabadell, S.A. consist of the commercial banking activities corresponding to code 65.12 in the National Classification of Economic Activities (CNAE). Its business objectives are listed in article four of its Articles of Association.

The bank was founded on 31 December 1881 under the public deed witnessed by the notary public Antonio Capdevila Gomá for an indefinite period of time. Its Articles of Association were adapted to the Companies Act as required in Legislative Royal Decree 1564/1989 which approved the Revised Text of the Companies Act of 26 April 1990 and registered in the Barcelona Business Register on 29 May 1990, volume 20.092, page number B-1.561, folio 1, entry 580. The Articles of Association have since been amended and those amendments can be consulted at the company's registered offices indicated above.

Banco de Sabadell, S.A. is registered in the Bank of Spain's Register of Banks and Bankers under number 0081.

Banco Sabadell, S.A. is a public limited company. Its operations are governed by special laws regulating credit institutions and its activities are supervised and controlled by the Bank of Spain.

Significant economic activities of Banco de Sabadell, S.A.

The Banco de Sabadell, S.A. financial group operates primarily in banking, although it also has interests in the fields of insurance, investment and pension fund management, financial intermediation, global custody, asset management and intermediation on domestic and international cash, capital and currency markets.

The following shows the financial information of the Banco de Sabadell, S.A. Group referring to the third quarter of 2005 and a comparison with the preceding financial year. The information at 30.09.05 was prepared pursuant to

International Financial Information Standards (hereinafter “*IFIS*”) applicable according to EC Regulation 1606/2002 and the Bank of Spain's Circular 4/2004. The information at 30 September 2004 was also prepared according to IFIS for comparison purposes only, so that the figures for the two periods can be compared homogeneously.

BALANCE SHEET (in thousands of euros)

	30.09.2005	30.09.2004	Variation (in %)	31.12.2004
Total Assets	50.708.809	45.836.271	10,6	45.097.972
Credit Investment	39.089.539	33.910.257	15,3	34.248.644
Customer resources	40.790.299	36.990.050	10,3	36.147.432
Shareholders' Equity	3.275.654	2.962.168	10,6	3.030.883

INCOME STATEMENT (in thousands of euros)

	30.09.2005	30.09.2004	Variation (in %)	31.12.2004
Brokerage margin	715.450	690.673	3,6	922.017
Ordinary margin	1.160.799	1.091.661	6,3	1.452.383
Operating margin	573.056	474.799	20,7	647.740
Profit before taxes	513.617	373.603	37,5	555.547
Group profits	354.861	246.988	43,7	365.020

STOCK AND MARKET VALUE DATA

	30.09.2005	30.09.2004	31.12.04
Quoted price (in euros)	21,28	17,10	17,20
Market value (in thousands of euros)	6.511.753	5.232.658	5.263.259
Group profits	354.861	246.988	365.020
Book value per share (in euros)	11,13	10,14	10,14
PER (price/earnings ratio)(*)	13,76	14,42	14,42
P/VC (price/book value ratio)	1,91	1,70	1,70

*Stock market capitalisation on 30 September 2005 / Average 2005 profits estimated by analysts

RELEVANT RATIOS (%)

	30.09.2005	30.09.2004	31.12.04
ROE (Return on equity)	12,19	13,48	13,48
ROA (Return on assets)	0,73	0,81	0,81
Efficiency ratio	58,33	57,96	58,24
Efficiency ratio	55,46	55,24	55,50

Delinquency rate	0,57	0,61	0,61
Coverage rate	342,49	326,80	326,80

CAPITAL RATIOS (BIS REGULATION) (%)

	30.09.2005	30.09.2004	31.12.04
Total (Ratio BIS)	12,31	12,62	12,49
TIER 1	8,28	8,54	8,53

ADDITIONAL INFORMATION

	30.09.2005	30.09.2004	31.12.04
Number of shares (thousands)	306.003	306.003	306.003
Number of shareholders	68.286	68.237	68.237
Number of employees	9.916	9.628	9.628
Number of domestic offices	1.432	1.342	1.091

3. 6. YIELD AND/OR RETURN ON SECURITIES RELATED TO OTHERS THAT ARE NOT THE ASSIGNOR'S ASSETS

N/A.

3.7 ADMINISTRATOR, CALCULATION AGENT OR SIMILAR

3.7.1. Management, administration and representation of the Fund and the bondholders.

"GC FTGENCAT SABADELL 1, Fondo de Titulización de Activos" will be formed by "Gesticaixa, SGFT, S.A." as the Fund Manager empowered to act as such and consequently to act as the administrator and legal representative of the Fund, GC FTGENCAT SABADELL 1, Asset Securitisation Fund, pursuant to the provisions of Royal Decree 926/1998 of 14 May which regulates asset securitisation funds and the fund managers of asset securitisation funds.

The Fund Manager will perform for the Fund those functions attributable to it in Royal Decree 926/1998.

The Fund Manager, as the manager of unrelated business, shall also represent and defend the interests of the bondholders and of the rest of the ordinary

creditors of the same. Consequently, the Fund Manager will limit its actions to the defence of those interests in accordance with the laws in force at any given time.

The bondholders and other ordinary creditors of the Fund will not have any action against the Fund Manager, except for the breach of its duties or the failure to observe the provisions set forth in the Deed of Formation and the Prospectus.

3.7.1.2. Administration and representation of the Fund

The obligations and actions of the Fund Manager in fulfilment of its administrative and legal representation functions include but are not limited to the following:

- (i) Manage the Fund with the objective that its patrimonial value be null at every moment;
- (ii) Carry out the accounting of the Fund, with due separation from its own accounting, effectuate the rendering of accounts and carry out the fiscal obligations or any other legal obligations corresponding to the Fund.
- (iii) Verify that the revenues received by the Fund match the revenues which the Fund should receive pursuant to the different agreements from which those revenues are derived. If necessary, take legal or extra-judicial actions to protect the rights of the Fund and those of the Bondholders.
- (iv) Use the Fund's revenues to satisfy the Fund's payment obligations in accordance with the Deed of Formation and the Prospectus.
- (v) Extend or modify the contracts signed on behalf of the Fund to allow the Fund to operate under the terms set forth in the Deed of Formation and the Informative Prospectus and the legislation in force at all times, provided that authorisation is obtained from the competent authorities as needed; the Ratings Agency is notified; and the interests of the Bondholders are not jeopardised or the ratings assigned by the Ratings Agency are not jeopardised.
- (vi) Perform the calculations it is obliged to perform under the Interest Swap Contract.

- (vii) Replace each and every one of the Fund's service providers in the terms set forth in the Deed of Formation and the Informative Prospectus, provided that this is allowed under the laws in force at all times, that authorisation is obtained from the competent authorities as needed, that the Ratings Agency are notified and that neither the interests of the Bondholders nor the ratings assigned by the Rating Agencies are jeopardised. In the event of the subcontracting, delegation or replacement of functions or participants, whichever applies, in conformity with the provisions of this Prospectus and the Deed of Formation, and having fulfilled the requirements established to do so, particularly the obligation not to impair the interests of bondholders or reduce the rating assigned to the Bonds, the Fund Manager shall immediately notify the participants of any questions which may subsequently arise in relation to a possible subsequent modification of the rating assigned to the Bonds as a result of such subcontracting, delegation or replacement so that the problem can be resolved immediately. In particular, should the Assignor default on its duties as the administrator of the Credit Rights, the Fund Manager will take the necessary measures to ensure the proper administration of the Credit Rights.
- (viii) On each Offer Date, determine if, on the immediately following Replacement Date, it is applicable to acquire Additional Credit Rights and, if applicable, calculate the Maximum Acquisition Amount that may be assigned to the new acquisition on the immediately following Replacement Date.
- (ix) Send to Banco de Sabadell, S.A., if applicable, written notification of the offer of Additional Credit Rights, thereby indicating the Maximum Acquisition Amount and the Replacement Date for making and formally executing assignment to the Fund and payment for assignment of the Additional Credit Rights.
- (x) Verify that the credit rights that make up the assignment offer of Additional Credit Rights formulated by Banco de Sabadell, S.A. comply with the Election Requisites (Individual and Overall) established for the acquisition of Additional Credit Rights and notify Banco de Sabadell, S.A., of the list of Additional Credit Rights that are accepted for assignment to the Fund on the corresponding Replacement Date.
- (xi) Issue the pertinent instructions to the payment agent in relation to the Treasury Account and the Principal Account and ensure that the amounts deposited therein earn the yields agreed in the respective contracts.
- (xii) Issue the pertinent instructions to the payment agent in relation to the payments to be made to Bondholders and any other entities to whom payments must be made.

- (xiii) Determine and make payments under the concept of principal and interest of the Loan for Initial Expenses and of the Loan for the Reserve Fund.
- (xiv) Issue the pertinent instructions in relation to the Generalitat's Guarantee.
- (xv) Report the outstanding balance of the Series A(G) Bonds to the Department of Finance and the Economy Generalitat de Catalunya on each payment date.
- (xvi) Appoint and, if necessary, replace the auditors with the prior approval of the CNMV if required.
- (xvii) Prepare and forward any information reasonably requested by the Ratings Agency, the CNMV or any other supervisory body.
- (xviii) Prepare and submit to governing bodies all documents and information which must be submitted as established by the CNMV; prepare and forward all legally-required information to bondholders.
- (xix) Take the opportune decision in relation to the settlement of the Fund, including the decision to settle the fund early and to redeem the bond issue early. Likewise, adopt the appropriate decisions in the case of the termination of the formation of the Fund.
- (xx) Determine the interest rate applicable to each Series and class of Bonds for each Interest Accrual Period and the principal of each Series to be amortised on each Payment Date.
- (xxi) Exercise the rights inherent to the ownership of the Credit Rights acquired by the Fund.
- (xxii) Provide the Bondholders, the CNMV and the Ratings Agency with any and all information and notices required by law.

The Fund Manager will have available for the public all the documentation and information necessary in accordance with the Deed of Formation and the Prospectus.

3.7.1.3. Resignation and substitution of the Fund Manager

Substitution of the Fund Manager

The Fund Manager will be substituted in the administration and representation of the Fund, in conformity with articles 18 and 19 of Royal Decree 926/1998 that are reproduced below and with the subsequent dispositions that may be established as regulations to that effect.

In the event of Resignation:

- (i) The Fund Manager may resign from its duties of administration and legal representation of all or part of the funds that it manages when it deems appropriate, by written request to the CNMV, in which it is stated the designation of the Fund Manager to substitute. The said document shall be accompanied by another one from the new Fund Manager in which it declares its acceptance of such duties and incorporates the corresponding authorisation.
- (ii) The authorisation of the substitution on the part of the CNMV will be conditioned by the fulfilment of the following requirements:
 - a) The delivery to the new management company of the accounting and electronic registries by the substituted Fund Manager. Such delivery will only be considered to have taken place when the new Fund Manager can fully assume its role and communicates this circumstance to the CNMV.
 - b) The rating assigned to the Bonds by Ratings Agency shall not be diminished as a consequence of the proposed substitution.
- (iii) In no case shall the Fund Manager resign from the exercise of its duties until all the requisites and procedures have been fulfilled so that its substitute is able to assume its duties.
- (iv) The expenses that result from the substitution will be charged to the resigning Fund Manager and in no case shall be imputed to the Fund.

- (v) The substitution shall be published, in a period of fifteen days, by means of an advertisement placed in two newspapers of national circulation and in the bulletin of the organised secondary market where the bonds issued by the Fund are listed. Likewise, the Fund Manager should notify the Ratings Agency of the said substitution.

In the case of mandatory replacement:

- (i) When the Fund Manager is declared in receivership, it should proceed to find a Fund Manager to replace it, in accordance with that foreseen by the above paragraph.
- (ii) Always where, in accordance with the previous section, four months have elapsed since the determining event for substitution and a new fund manager has not been found willing to take on the management, the Fund will be settled early and the Bonds issued against the Fund and of Loans will be amortised early.

The Fund Manager will be obliged to grant the public and private documents necessary to proceed with the replacement by the other Fund Manager, in conformity with the foreseen regime of the prior paragraphs of this section.

The replacement Fund Manager shall assume all of the rights and obligations which, pursuant to the Deed of Formation and the Prospectus, correspond to the Fund Manager. Likewise, the Fund Manager should hand over to the substituting Fund Manager as many documents and accounting and computer registries to the Fund as are in its power and possession.

3.7.1.4. Subcontracting

The Fund Manager will be authorised to subcontract or delegate in third-parties of recognised solvency and capacity, the rendering of any of the services that must be performed in the course of its duties as legal representative and administrator of the Fund, in accordance with that established in the Deed of Formation, always where the subcontractor or delegate has waived the right of any action of demand of responsibility against the Fund. Either way, the subcontracting or delegation of any service: In any case, the subcontracting or delegation of any service (i) may not suppose any additional cost or expense to

the Fund, (ii) must be legally possible, (iii) will not give rise to a downgrade in the rating granted to any of the Series of Bonds, and (iv) will be notified to the CNMV, having, when necessary by law, its previous authorisation. Notwithstanding any subcontracting or delegation, the Fund Manager will not be exonerated or liberated by such subcontracting or delegation in any of its responsibilities assumed by virtue of the Deed of Formation that are attributable or demandable by law.

3.7.1.5. Remuneration of the Fund Manager

The Fund Manager will be remunerated quarterly on each payment date according to the following rules:

- (i) (i) The Fund Manager will receive an initial fixed remuneration of 50,000 euros on the Fund Disbursement Date.
- (ii) (ii) The Fund Manager will also receive a periodic commission to be paid quarterly on each payment date, comprised of a fixed part of 3000 euros, plus one-fourth of 0.014% of the Outstanding Balance Principal of the Bonds on the immediately preceding payment date. The periodic commission on each payment date may not be less than 7,500 euros or more than 25,000 euros.

It will be calculated using the following formula:

$$R_t = 3000 + (0.014\% * N_i) * (d_i/360)$$

Where:

N_i = is the outstanding balance of the principal on the bonds at the beginning of the period.

d_i = is the number of days in the period.

Therefore, on the first payment date the remuneration payable to the Fund Manager based on a 90-day quarter would be equal to:

$$R_t = 3,000 + (0.014 / 100 * 500,000,000) * (90 / 360) = 20,500 \text{ euros.}$$

These remuneration figures are understood as gross in the sense that they include any and applicable direct or indirect taxes or withholdings.

If the Fund Manager is replaced as established in section III.7, the payments mentioned in this section may be modified when a replacement Fund Manager is selected, provided always that new conditions are agreed with the Assignor.

3.7.2. Administration and custody of the securitised assets

Banco de Sabadell, S.A., as the Assignor of the Credit Rights to the Fund, pursuant to the provisions of Article 2.2.b) of Royal Decree 926/1998, shall continue to be responsible, as the Fund's agent represented by the Fund Manager, for the administration and management of the Credit Rights (hereinafter, the "*Administrator*", as regards this condition). The relationship between Banco de Sabadell, S.A. and the Fund, represented by the Fund Manager, as regards the custody and administration of the Credit Rights, is regulated in the Administration Agreement.

Banco de Sabadell, S.A. shall accept the mandate received from the Fund Manager in the Administration Agreement.

Within the framework of its mandate, Banco de Sabadell, S.A. may take any actions it considers reasonably necessary or convenient, employing the same diligence and procedures to recover the unpaid amounts of the Credit Rights as if the credits rights were a part of its own portfolio. To this end, it may take the customary actions in this type of situation.

Neither the bondholders nor any other creditor of the Fund will have the right to any direct action against the Debtors that have defaulted on their payment

obligations. The Fund Manager, as representative of the Fund, is the party that holds said right of action in the terms described in this section.

The Administration, by reason of its mandates, undertakes as follows:

- i) To exercise the administration and management of the Credit Rights acquired by the Fund under the terms of the regime and ordinary procedures of administration and management set forth in section 2.2.7 of this Supplemental Addendum and the Deed of Formation.
- ii) To continue administrating the Credit Rights, thereby dedicating the same time and attention to them and the same level of skill, care and diligence in the administration of same that it would dedicate and exercise in the administration of its own credit rights, and in any event, it shall exercise an adequate level of skill, care and diligence in providing the services within the bounds of that mandate.
- iii) That the procedures that apply and will apply for the administration and management of the Credit Rights are and will continue to be in conformity with applicable laws and legislation in force.
- iv) To carry out the instructions of the Fund Manager with due allegiance.
- v) To indemnify the Fund for damages that may derive through breach of the contractual obligations.

The most relevant terms of the management and administration mandate are set out below in the following paragraphs of the present section.

In any event, the Administrator waives the powers and privileges lawfully conferred upon it as the Fund's collections manager and as administrator of the Credit Rights and as depositary of the corresponding policies or public deeds, specifically as regards the provisions in Articles 1730 and 1788 of the Civil Code and 276 of the Commercial Code.

3.7.2.1. Regime and ordinary procedures of administration and management of the Credit Rights

The succinct and summarised description of the regime and ordinary procedures of administration and management of the Credit Rights regulated through the Administration Contract is the following:

1. Custody of deeds, documents and files

The Administrator will keep all deeds, policies, documents and data files pertaining to the Credit Rights and will not abandon the possession, custody or control of same without prior written consent from the Fund Manager for such purpose, except when a document is required to initiate proceedings for the claim of a Credit Right, or it is demanded by any other competent authority, and the Fund Manager shall be informed.

The Administrator will reasonably facilitate the access, at all times, to said deeds, policies, documents and registries, to the Fund Manager or the Fund auditors, duly authorised to this effect. Likewise, if the Fund Manager requests it, the Administrator will facilitate, at no charge, and within fifteen (15) Business Days following the request, a copy or photocopy of any of the said deeds, policies and documents.

2. Collections Management

The Administrator shall continue to manage the collection of all amounts that may have to be satisfied by the Debtors and that are derived from the Credit Rights, as well as for any other concept. The Administrator shall use due diligence so that the payment that the Debtors must make will be collected in accordance with the contractual terms and conditions of the Credit Rights.

The payment by the Administrator to the Fund of the amounts received for the Credit Rights that it administers shall be made in the manner described in the preceding section 3.4.5.

3. Fixing of the interest rate

With regard to the Credit Rights that have a variable interest rate, the Administrator will continue fixing the said interest rates pursuant to the provisions set forth in the corresponding policies or public deeds, thereby drawing up the communications and notifications that the contracts establish for this purpose.

4. Information.

The Administrator must periodically communicate to the Fund Manager the information relating to the individual characteristics of each one of the Credit Rights with regard to compliance by the Debtors with their payment obligations of the Credit Rights, with regard to the situation of arrears, with regard to the changes made to the characteristics of the Credit Rights and with regard to the actions of demanding payment in the case of arrears and of judicial actions.

Likewise, in the event of non-payment, the Administrator must prepare and surrender any additional information requested by the Fund Manager with regard to the Credit Rights or the rights derived from same.

5. Subrogation of the Credit Rights.

The Administrator will be authorised to allow substitutions in the position of the Debtor in the Leasing policies or public deeds pertaining to the Credit Rights, exclusively in the cases where the characteristics of the new Debtor are similar to those of the old debtor and the characteristics fit the criteria for granting these financing operations, described in the memorandum on the criteria for granting financing operations attached to the Fund Formation Deed and outlined in Section 2.2.7 of this Supplemental Addendum, and as long as the expenses derived from this modification are paid in their entirety by the Debtors.

The Fund Manager can limit in whole or in part this legal authority of the Administrator or establish conditions to the same, when said substitutions could negatively affect the ratings granted to the Bonds by the Rating Agency.

6. Powers and actions related to the process of renegotiation of the Credit Rights

The Assignor may not, without the consent of the Fund Manager, transfer the leased assets to a person other than the lessee or Debtor in the event that the latter had exercised the purchase option under the terms of the corresponding contract; novate the leasing the policies or public deeds; abandon all or part of the pending periodical instalments; or, in general, perform any act that may decrease the range, legal effectiveness or economic value of the Credit Rights or of the leased assets.

In particular, as regards the following:

a) Renegotiating of the interest rate

In no case will the Administrator be able to open on its own initiative, without a request by the Debtor, renegotiations of the interest rate that could result in a decrease in the interest rate applicable to a Lease.

Without prejudice to that which will be determined next, all renegotiation of the interest rate signed by the Administrator, will take place only with the prior written consent of the Fund Manager, in representation of the Fund. The Administrator should request said consent of the Fund Manager as soon as it is aware that a Debtor requests a renegotiation. However, the Fund Manager shall initially authorise the Administrator to initiate and to accept renegotiations of the interest rate applicable to the Leases, requested by the Debtor, without the need for prior consent of the Fund Manager, subject to the following requirements of generic qualification:

- i) Without prejudice to the provisions determined in the following section ii), the Administrator may renegotiate the clause of the rate of interest of the Leases under conditions that are considered to be market conditions and are not different than those that the Administrator would apply in a renegotiation or in the granting of its financing operations. For these purposes, the rate of interest shall be taken as the market rate of interest offered by credit institutions in the Spanish market for financing

operations and of a similar amount and featuring conditions that are similar to the corresponding Lease.

- ii) Notwithstanding the contents of the preceding paragraph, the Administrator can no longer carry out future renegotiations of interest rates if the average weighted interest of the Assets is less than the Euribor at three (3) months plus an annual margin of 1% on Determination Date. Under no circumstances may the rates be renegotiated to fixed rates.
- iii) The renegotiation of the interest rate applicable to a Lease shall under no circumstance be modified to a variable rate of interest with a reference index that is different than the rates or reference indexes that the Administrator uses for the financing operations granted by the same.

b) Extension of the maturity date

The date of final maturity or of the last amortisation of the Leases can be extended subject to the following rules and limitations:

- i) In no case will the Administrator be able to begin on its own initiative the modification of the final maturity date of the Lease, meaning without being requested by the Debtor, whereby the extension of the same could occur. The Administrator, without encouraging the extension of the maturity date, should act in relation to said extension always with the interests of the Fund in mind.
- ii) The sum of the capital or principal of the Leases assigned to the Fund for which the maturity date is extended may not exceed 10% of the capital or principal of all the Leases assigned to the Fund.
- iii) The extension of the maturity date for any particular Lease may be carried out so long as the following requirements are met:

- a) That, in all cases, the frequency of the instalment payments of the capital or principal of the Lease is maintained or reduced, while maintaining the same amortisation system.
- b) That the new final maturity date or date of final amortisation will, at the latest, be 28 November 2020.
- c) That the Lease would have had no delay in the payment of debits due over ninety (90) days during the last six (6) months prior to the effective date of the term extension.

The Fund Manager, in representation of the Fund, will be able, in any given moment, to cancel, suspend or modify the authorisation and requirements for the renegotiation on the part of the Administrator that are established in this section, or in the case of modification, that it had previously authorised. In any case, any renegotiation of the interest rate or maturity date of the Leases, whether or not it is generically authorised, shall be undertaken and resolved with the interests of the Fund in mind.

When any renegotiation of a Lease takes place, the Administrator will communicate immediately to the Fund Manager the conditions resulting from each renegotiation. Said communication will take place through the electronic registry provided for updating the Lease conditions.

The contractual documents that document the novation of the renegotiated Leases will be kept by the Administrator, pursuant to the provisions in part 1 of this section.

7. Action against the Debtors in case of non-payment of the Credit Rights

Action in the case of delay

The Administrator will apply equal diligence and procedure to claims for the amounts of the Credit Rights owed and not satisfied as with the rest of the credit rights in its portfolio.

In the case of a breach of the payment duties by the Debtor, the Administrator will carry out the actions described in the Administration Contract, wherefore he will adopt the measures that he would normally take as if it involved the credit rights in his own portfolio, in accordance with good uses and banking practices for the collection of amounts owed. The Administrator shall make advance payment for all expenses necessary to carry out the said actions, without prejudice to his right to be reimbursed by the Fund. These actions logically include all judicial actions that the Administrator considers necessary for the claim and collection of the amounts due by the Debtors.

Judicial Actions

The Administrator, by virtue of the fiduciary title to the Credit Rights or by virtue of the powers that are mentioned in the following paragraph, will exercise the corresponding actions against the Debtors that default on their payment obligations derived from the Credit Rights. Said action should be exercised through the corresponding legal enforcement proceedings in conformity with the provisions set forth in Article 517 and the following of the Civil Procedure Act.

For the foregoing purposes and for the purposes of the provisions set forth in articles 581.2 and 686.2 of the Civil Procedure Law, as well as wherever necessary, the Fund Manager in the Formation Deed bestows power of attorney as broad as may be required by law in favour of Banco de Sabadell, S.A. so that the latter, acting through any of its representatives with sufficient authority to that end, may, in name and representation of the Fund Manager as legal representative of the Fund, demand, through any judicial or extra-judicial means, that the Debtor of any of the Credit Rights pay its debt. Furthermore, Banco de Sabadell, S.A. shall be empowered to carry out legal action against same, in addition to other faculties required for the exercise of its functions as Administrator. These faculties may be extended or modified through another deed if necessary.

In particular, the Administrator is bound to:

- i) Exercise any judicial or extra-judicial actions that may correspond to the Fund before the Debtor.
- ii) Perform all acts that may be necessary or appropriate for effectively exercising such actions, and

In relation to the Credit Rights, the Administrator should, in general, file a suit for enforcement if, during a period of six (6) months, the Debtor of a Credit Right that has defaulted on its payment obligations has not resumed payments to the Administrator, and the Administrator, with the consent of the Fund Manager, fails to obtain a satisfactory promise of payment for the interests of the Fund. The Administrator, in any case, should proceed immediately to file the suit for enforcement if the Fund Manager, in representation of the Fund and subject to prior analysis of the specific circumstances, deems it appropriate.

If six (6) months had transpired since the oldest date of default, without the Debtor having resumed payments or without any restructuring, and the Administrator had not filed a suit for enforcement, without sufficient justification, then the Fund Manager, in representation of the Fund, will proceed immediately to initiate the judicial proceedings corresponding to the total claim of the debt.

In the case of a halt in the proceedings pursued by the Administrator without sufficient motive to justify it, the Fund Manager, in representation of the Fund, will be able, if applicable, to subrogate the position of the Administrator and continue with the judicial process.

With regard to the actions available to the Assignor-Lessor to recover the property:

- i) In the case of Financial Leases, notwithstanding the specific terms of each policy or public deed witnessed by a notary public:
 - a) In the event of non-payment by the Debtor, aside from executive action for the payment of the instalments available to the Fund as the

Assignor, Banco de Sabadell, S.A., as the Lessor-Assignor, may take the actions to recover and realise the leased property described in the first additional provision of Law 28/1998, of 13 July on the Deferred Sale of Movable Property, in the wording contained in part five of the seventh final provision of Civil Procedures Act 1/2000 of 7 January.

- b) If the Debtor or lessee were declared in bankruptcy, article 90.1.4 of the Bankruptcy Act confers a special privilege upon the instalments fallen due and unpaid prior to the declaration of bankruptcy. However, this privilege only applies to the proceeds of the realisation of the leased property pursuant to the modalities foreseen in article 155 of the Bankruptcy Act and which are available to the Lessor-Assignor for the realization of the leased property.
- ii) In the case if Financial Leases on real property, notwithstanding the specific terms of each policy or public deed witnessed by a notary public:
 - a) Aside from the executive action of the payment of the instalments likewise available to the Fund as the Assignor, Banco de Sabadell, S.A., as the financial lessor, may choose to file a claim to recover the ownership of the leased property.
 - b) If the Debtor or lessee were declared in bankruptcy, article 90.1.4 of the Bankruptcy Act confers a special privilege upon the instalments fallen due and unpaid prior to the declaration of bankruptcy. However, this privilege only applies to the proceeds of the realisation of the leased property pursuant to the modalities foreseen in article 155 of the Bankruptcy Act and which are available to the Lessor-Assignor for the realization of the leased property.

The Administrator is obligated to provide timely notification of payment requirements, judicial actions or any other circumstances that may affect the collection of the pending overdue amounts of the Credit Rights. Likewise, the Administrator will provide the Fund Manager with all the documentation that the latter may request in relation to the said Credit Rights and, in particular, the documentation necessary for the commencement of legal actions by the Fund Manager, if applicable.

8. Compensation

In the event that any of the Debtors of the Credit Rights maintains a right to a cash credit, due and enforceable against the Administrator and, as such it results that any of the Credit Rights is totally or partially compensated against such right of credit, the Administrator shall remedy such a circumstance or, if it is not possible to remedy it, the Administrator will proceed to deposit in the Fund the amount that had been compensated plus the interest accrued that would have corresponded to the Fund up until the day in which the deposit is made, calculated in accordance with the applicable conditions of the corresponding Credit Right.

9. Subcontracting

Banco de Sabadell, S.A. may subcontract or delegate any of the services it has undertaken to render as the Administrator, except for those which may not be delegated by law, to third parties of recognised solvency and capacity to render any of the committed services, provided that the ratings assigned to the Bonds by the Rating Agencies are not affected and provided that the subcontractor or delegate waives the right to take any action for liability against the Fund. Banco de Sabadell, S.A. may also cancel such subcontracts and/or delegations. The said subcontracting or delegation may not involve any additional cost or expense for the Fund or the Fund Manager. Notwithstanding any subcontracting or delegation, the Administrator will not be exonerated nor liberated, through such subcontracting or delegation, of any of its responsibilities assumed by virtue of the Administration Contract or that are legally attributable or demandable to it.

10. Notifications

The Debtors shall not be notified of the assignment of the Credit Rights by Banco de Sabadell, S.A. However, in the event of bankruptcy or any indication of receivership by the Bank of Spain, of settlement or replacement of the Administrator, the Fund Manager may require that the Administrator notify the debtors of the transfer to the Fund of the Credit Rights pending payment and of the fact that the payments associated therewith will only release them from their obligations if they are made into the Cash Account open in the Fund's name.

However, if the Administrator fails to notify the Debtors within three (3) days of being required to do so or in the event of the bankruptcy of the administrator, the Fund Manager itself will notify the Debtors directly.

The Assignor shall pay for the cost of notifying the debtors, even if the notice is made by the Fund Manager.

3.7.2.2. Term and substitution

The services will be rendered by the Administrator until, once the totality of the Credit Rights acquired by the Fund are amortised, the obligations assumed by the Administrator are extinguished, in so far as it is the Assignor of the rights, or when the settlement of the Fund may conclude, without prejudice to the possible early revocation of its mandate in conformity with the terms set forth below.

Mandatory replacement: Should the Fund manager verify a breach by the Assignor, as the administrator of the Credit Rights, of its obligations assumed under such condition or verify the occurrence of events which, in the opinion of the Fund Manager, jeopardise or pose a risk to the financial structure of the Fund or the rights and interests of the Bondholders, the Fund Manager may, as long as it is legally allowed, (i) replace the Assignor as the administrator of the Credit Rights or (ii) demand that the Assignor subcontract or delegate the performance of such obligations to a third party who, in the Fund Manager's opinion, has the technical capacity needed to perform the said functions. The Fund Manager shall consider the Assignor's proposals regarding the designation of its replacement. The Assignor shall be bound to perform the said subcontracting or delegation.

Furthermore, in the event of a corporate, regulatory or court decision ordering the settlement, winding-up or receivership of the Assignor, or if the Assignor were to file for bankruptcy or if a request filed by a third party were admitted, the Fund Manager would be entitled to replace the Assignor as the Administrator provided that such replacement is permitted by law.

The new administrator will, if applicable, be designated by the Fund Manager following consultation with the competent administrative authorities so that the ratings assigned to the Bonds by the Ratings Agency are not jeopardised, wherefore the latter shall be notified of the said designation. The Fund Manager

shall agree with the new administrator on the amount to be received and against the Fund.

Voluntary replacement: If allowed by applicable legislation, the Assignor may ask to be replaced as the administrator of the Credit Rights. The Fund Manager shall authorise the replacement as long as the Assignor has found an entity to replace it as the administrator and the ratings assigned by the Ratings Agency will not be affected, wherefore the latter shall be notified of such replacement.

In the event of replacement, either mandatory or voluntary, the Assignor shall make all necessary and corresponding documentation and computer records available to the new administrator so that it may perform its functions.

The mandate granted by the Fund Manager on behalf of the Fund to the Administrator will be terminated if the Ratings Agency does not confirm as final the provisional ratings of each of the Series before the start of the Subscription Period.

Any additional cost or expense derived therefrom will be covered by the Administration but never by the Fund or the Fund Manager.

3.7.2.3. Responsibility of the Administrator and indemnification

In no case will the Administrator have any liability regarding the obligations of the Fund Manager in its capacity as administrator of the Fund and manager of the interests of the Bondholders, or in relation to the obligations of the Debtors derived from the Credit Rights, without prejudice to the liabilities assumed by the same in the Formation Deed as the Assignor of the Credit Rights acquired by the Fund.

In accordance with the provisions set forth in Royal Decree 926/1998 and in Law 19/1992, the Bondholders will run the risk of default on the Credit Rights. As such, the Assignor does not assume any liability for the default of the Debtors, whether of the principal or of the interest that they could owe by virtue of the Credit Rights.

The Administrator assumes the duty to indemnify the Fund or the Fund Manager for any damage, loss or expense that latter may have incurred due to the breach by the Administrator of its duties regarding the administration, management and information of the Credit Rights and the custody of the documents whereby they may be formally executed.

The Fund Manager will have the corresponding actions for the effectiveness of the maturity dates of the Credit Rights, when a breach is not a consequence of the failure to pay by the Debtors of the said Credit Rights.

Neither the Bondholders nor any other creditor of the Fund will be entitled to any action against the Assignor, rather the Fund Manager, as the representative of the Fund holding the Credit Rights, shall be entitled to such actions.

3.7.2.4. Remuneration of the Administrator. In consideration for the custody, administration and management of the Credit Rights, the Administrator will be remunerated quarterly on each payment date by an amount equal to 0.01% of the Outstanding Balance of the Credit Rights on the immediately preceding Fund Payment Date. This commission is understood as gross in the sense that it includes any direct or indirect taxes or withholdings that could encumber the same.

If the Assignor were replaced as the administrator, the administration commission, which may be higher, would be moved to number (i) of the Payment Priority Order of the Fund described in section 3.4.6. above.

3.8 Name, address and brief description of any counterparty for swap, credit, liquidity or account operations:

Banco de Sabadell, S.A. is the Fund's counterparty in the operations listed below. The data on Banco de Sabadell, S.A. and its activities are included in section 5.2. of the Registration Document and in section 3.5 of this Supplemental Addendum, respectively.

(i) Treasury Account.

Guaranteed Interest Rate Contract (Treasury Account), described in section 3. 4. 4. 1. of this Supplemental Addendum.

(iii) Principal Account:

Guaranteed Interest Rate Contract (Principal Account), described in section 3. 4. 4.2. of this Supplemental Addendum.

(iii) Loan for Initial Expenses:

Loan Contract for Initial Expenses,

Described in part 3.4.3.1. of the Supplemental Addendum

(iv) Loan for the Reserve Fund:

Reserve Fund Loan Contract

Described in section 3.4.3.2. of the Supplemental Addendum.

(vi) Interest Swap:

Interest swap contract.

Described in section 3.4.7.1 of the Supplemental Addendum.

4. POST ISSUE INFORMATION

Obligations and periods for making periodic economic-financial information on the Fund available to the public and for presentation to the National Securities Market Commission.

4.1. The Fund Manager, as the administrator and manager of the Fund, undertakes to provide, as quickly as possible or by the established deadlines, the information described below and any additional information reasonably requested of it.

4.1.1. Ordinary periodic notifications

The Fund Manager will have available for the public all the documentation and information necessary in accordance with the Deed of Formation.

1. In the period included between the Date of Interest Rate Fixing and a maximum of three (3) Business Days following each Payment Date, the Fund Manager will proceed to notify the Bondholders of the Nominal Interest Rate applicable to each series of Bonds for the following Interest Accrual Period.
2. Every quarter, a minimum of one (1) Business Day before each Payment Date, the Fund, through its Fund Manager, shall notify the Bondholders of the interest from the Bonds of each Series, together with the redemption of same, as applicable, in addition to the following:
 - (i) The real early redemption rates of the Credit Rights of the preceding Determination Period;
 - (ii) The average residual life of the Bonds, estimated following the hypotheses of maintaining the said real early redemption rate of the principal of the Credit Rights and following the rest of the hypotheses set forth in section 4.10 of the Prospectus Schedule.
 - (iii) The Outstanding Balances Principal, following the amortisation to be settled on each Payment Date of each Bond Series, and the percentages that said Outstanding Balances Principal represent over the initial face value of the Bonds.
 - (iv) If applicable, the Bondholders shall be informed of the amounts of interest and amortisation accrued but unpaid due to insufficient Available Funds, in accordance with the payment priority order.

The previous notifications will be likewise communicated to SCLBARNÀ, CNMV, the Payment Agent and Barcelona Stock Market at least two (2) Business Days before each Payment Date.

3. Within three (3) months following the end of the accounting period, the Fund Management Company shall issue a report that includes:
 - (i) A report on the portfolio of Credit Rights pooled into the Fund, the balance of the Principal Fund and the Treasury Account, the balance sheet, the profit and loss account, the auditor's report and

an appendix specifying the accounting principles applied.

- (ii) A management report containing the following:
 - a) The Outstanding Balance of the Credit Rights.
 - b) The percentage of Credit Rights that have been amortised in advance.
 - c) The changes produced in the early-amortisation rate.
 - d) The amount of the unpaid Credit Rights.
 - e) The amount of Defaulted Credit Rights and the percentage they represent over the total.
 - f) The average life of the portfolio of Credit Rights.
 - g) The average interest rate of the portfolio of Credit Rights.
 - h) The Outstanding Principal Balance of the Bonds.
 - i) The percentage of the Bonds pending maturity.
 - j) If applicable, the amount of accrued and unpaid interest corresponding to the Bonds.
 - k) A detailed analysis of the evolution of the Fund and the factors that have affected these results.
 - l) The amount and the variations of the expenses and management fees produced during the accounting period.

- 4. The Fund Manager will provide a quarterly report to the CNMV and to the Barcelona Stock Exchange within one month of the end of each quarter, on the evolution of the Credit Rights incorporated into the Fund, as well as the balance of the Principal Account and the Treasury Account, and the relevant information on the Fund and the incorporated Credit Rights.

All the information of a public nature regarding the Fund can be found at the registered address of the Fund Manager, on the web page of the Fund Manager, at the underwriting agencies, at the Barcelona Stock Exchange and in the CNMV register.

4.1.2. Extraordinary notifications

1. For the purposes of the formation of the Fund and the issue of the Bonds, once the Deed of Formation has been granted, the Fund Manager, on behalf of the Fund, shall proceed to make the requisite notification of the formation of the Fund and of the issue of the Bonds, as well as the Nominal Interest Rate on the series of Bonds applicable to the first Accrual Interest Period, which shall be taken as the period between the Disbursement Date and the first Payment Date. The foregoing notification shall be made in accordance with the procedure set forth in this Prospectus. Any calendar day is appropriate for said publication, whether or not a business day.
2. The Fund Manager, on behalf of the Fund, will inform the holders of the Notes of all relevant events that may take place in relation to the Assets, the Notes, the Fund, and the Fund Manager itself, which could influence the trading of the Notes in an appreciable manner and, in general, of any relevant modification in the assets or liabilities of the Fund. Likewise, the Fund Manager, on behalf of the Fund, will inform the holders of the Bonds of the possible decision of early redemption of the Bonds for any of the reasons set forth in this Prospectus. In this event, the Fund Manager will forward the Notarised Deed of Settlement to the CNMV along with an indication of the settlement procedure followed.

All of the foregoing circumstances will be reported to the CNMV and the Ratings Agency in advance.

4.1.3. Procedure for notifying Bondholders.

All notifications that the Fund Manager must make to the Bondholders about the Fund as a result of the aforementioned shall be made as follows:

1. Ordinary notifications.

Ordinary notifications shall be made by means of publication in the daily journal of the Barcelona Stock Exchange or by means of publication in a journal with extensive publication in Spain, whether of a financial or general nature. In addition, the Fund Manager or Payment Agent may disseminate such information

or other information of interest to Bondholders through the channels and systems commonly used by financial markets such as Reuters, Bridge Telerate, Bloomberg or similar.

2. Extraordinary notifications

Extraordinary notifications must be made through publication in the journal of the Barcelona Stock Exchange or in any other media accepted by the market. These notifications shall be considered given on the date of publication and are valid for any calendar day, whether or not a business day (in accordance with the provisions set forth in this Prospectus).

Exceptionally, the definitive margins used to determine the nominal interest rate applicable to each series and the nominal interest rate for the bonds in each series for the first interest period will be notified in writing by the Fund Manager prior to the start of the Subscription Period to the Underwriting and Placement Entities, who shall in turn notify the investors interested in subscribing the bonds. The Fund Manager shall likewise notify the CNMV, the Payment Agent, the Barcelona Stock Exchange and SCLBARNA.

3. Notifications and other information.

The Fund Manager may make notifications and other information of interest to Bondholders available to them through its own website or other tele-transmission methods of similar characteristics.

4.1.4 Information to the National Securities Market Commission.

The Fund Manager shall inform the CNMV of the notifications and information made available in accordance with the provisions set forth in the previous sections. This applies to both ordinary information and extraordinary information as well as any other information required by the CNMV or by the laws in force at any given time.

4.1.5 Information to the Ratings Agency.

The Fund Manager shall periodically provide Ratings Agency with information on the Fund's status and the performance of the Credit Rights in order to enable them to track the Bond ratings and to make the pertinent extraordinary notifications. It shall likewise provide said information whenever reasonably requested to do so and in any case, whenever there is a significant change in the

conditions of the Fund or the contracts signed by the Fund through the Fund Manager or a change in the interested parties.

Xavier Jaumandreu Patxot, on behalf of GESTICAIXA, S.A., SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN as its Managing Director, has signed this Prospectus on 30 November 20 05.

GLOSSARY OF DEFINITIONS

GLOSSARY OF DEFINITIONS

“Assets” or *“Credit Rights”* mean the credit rights pooled into the Funds Assets derived from the Financial Leases assigned by Banco de Sabadell, S.A. to the debtors.

“Additional Assets” or *“Additional Credit Rights”* mean the Credit Rights that will be assigned by Banco de Sabadell, S.A. and be acquired by the Fund at times after the formation thereof.

“Initial Assets” or *“Initial Credit Rights”* mean the Credit Rights that will be assigned by Banco de Sabadell, S.A. and be acquired by the Fund at the time of the formation thereof.

“Administrator” means the entity in charge of the custody and administration of the Credit Rights pursuant to the Administration Contract, meaning Banco de Sabadell, S.A.

“Ratings Agency” means Fitch Ratings España, S.A.

“Payment Agent” means the entity that provides the financial services for the Bonds. The Payment Agent will be Banco de Sabadell, S.A.

“Early Redemption” means the redemption of the Bonds on a date before the Legal Due Date in the Cases of Early Settlement of the Fund in conformity with the requirements established in part 4.4.3 of the Registration Document.

“Leases” mean Real Property Leases and Personal Property Leases jointly.

“Real Property Leases” mean the real property lease operations that Banco Sabadell, S.A. has granted for financing Debtors.

“Personal Property Leases” mean the personal property lease operations that Banco Sabadell, S.A. has granted for financing Debtors.

“Auditor” means Ernst & Young, S.L.

“Guarantee” or “Generalitat’s Guarantee” means the Guarantee granted by the Generalitat de Catalunya pursuant to the provisions of the Resolution. The Guarantee will guarantee payment of the principal and interest on the Series A(G) Bonds.

“Banco de Sabadell, S.A.”, means Banco de Sabadell, S.A.

“Bonds” means the Class A bonds composed of the A(S) and A(G) series, Class B bonds, Class C bonds, Class D bonds and Class E bonds issued by the fund.

“Class A Bonds” or “Class A” means the Series A(S) and A(G) Bonds issued against the Fund for a total face value of four hundred seventy-four million five hundred thousand (474,500,000) euros, composed of 4,745 Bonds with a face value of one hundred thousand (100,000) euros each. They have a provisional rating of AAA according to the Ratings Agency.

“Series B Bonds” or “Series B” means the bonds issued against the Fund for a total face value of 198 euros, composed of 19,800,000 bonds with a face value of one hundred thousand (100,000) euros each. They have a provisional rating of A according to the Ratings Agency.

“Series C Bonds” or “Series C” means the bonds issued against the Fund for a total face value of 5,700,000 euros, composed of 57 bonds with a face value of one hundred thousand (100,000) euros each. They have a provisional rating of BBB according to the Ratings Agency.

“Series A(G) Bonds” or “Series A(G)” means the bonds guaranteed by the Generalitat de Catalunya issued against the Fund for a total face value of three hundred forty-five million six hundred thousand (345,600,000) euros composed of three thousand four hundred and fifty-six (3,456) bonds with a face value of one hundred thousand (100,000) euros each. They have a provisional rating of AAA according to the Ratings Agency, granted without taking into consideration the Guarantee.

"A(S) Series Bonds" or "A(S) Series" means the bonds issued against the Fund for a total face value of 128,900,000 euros, composed of 1,289 bonds with a face value of one hundred thousand (100,000) euros each. They have a provisional rating of AAA according to the Ratings Agency.

"Available Principal" means the amount equal to the lesser of the following amounts: 1) The Theoretical Principal Amount and 2) the Funds Available on the Payment Date after deducting the amounts corresponding to the items indicated in sections (1) to (6) of the Payment Priority Order.

"Defaulted Amounts", means the amounts due and unpaid plus the outstanding balance of those assets in which (i) the Debtor has been declared insolvent; (ii) the Fund Manager considers, based on the information provided by the Assignor, that it is not reasonable to expect repayment; or (iii), in any event when non-payment continues for an uninterrupted period of twelve (12) months.

"Assignor" means Banco de Sabadell, S.A., the assignor of the Credit Rights.

"CET" means Central European Time.

"Classes" means Class A, Class B and Class C.

"CNMV" means the National Securities Market Commission.

"Administration Commission" means the remuneration received by the Administrator as consideration for the custody, administration and collections management of the Credit Rights.

"Underwriting commissions" means the fees paid to insurance companies for the performance of their functions by virtue of the Management, Underwriting and Brokerage Contract for the bond issue.

"Administration Contract" means the contract that regulates the custody and administration of the Credit Rights.

“Payment Agency Contract” means the contract that regulates the financial service of the bonds and which is entered into between the Fund Manager, on behalf of and representing the Fund, and Banco de Sabadell, S.A., as the Payment Agent.

“Guaranteed Interest Rate Deposit Contract (Treasury Account)” or “Treasury Account Contract” means the guaranteed interest rate deposit contract (Treasury account) signed by the Fund Manager on behalf of the Fund and Banco de Sabadell, S.A.

“Guaranteed Interest Rate Deposit Contract (Principal Account)” or “Principal Account Contract” means the guaranteed interest rate deposit contract (Principal Account) signed by the Fund Manager on behalf of the Fund and Banco de Sabadell, S.A.

“Management, Underwriting and Brokerage Contract” means the management, underwriting and brokerage contract for the Bond Issue entered into between the Fund Manager, on behalf of and representing the Fund, and Banco de Sabadell, S.A., and Société Générale, with branch office in Spain, as the Management and Underwriting Entities.

“Financial Mediation Contract” means the contract which regulates the payment by the Fund Manager, on behalf of the Fund, to Banco de Sabadell, S.A. for the financial brokerage activities performed which have enabled the definitive financial transformation of the Fund’s activity, the acquisition of the Credit Rights and the rating of each one of the Bond classes.

“Financial Swap Contract” or “Financial Interest Swap Contract” means the contract entered into between the Fund Manager, on behalf of and representing the Fund, and Banco de Sabadell, S.A. whereby the Fund will make payments to Banco de Sabadell, S.A. calculated on the interest rates of the Credit Rights, in exchange for which Banco de Sabadell, S.A. will make payments to the Fund calculated on the reference interest rate determined for the Bonds, all according to the rules set forth in section 3.4.2.1 of the Supplemental Addendum.

“Loan Agreement for the Reserve Fund” means the subordinated loan agreement entered into between the Fund Manager, representing and on behalf of the Fund, and Banco de Sabadell, S.A., for a total amount of nine million five hundred thousand (9,500,000) euros, assigned to the initial allocation of the Reserve Fund.

“Loan Agreement for Initial Expenses” means the subordinate mercantile loan entered into between the Fund Manager, on behalf of and representing the Fund, and Banco de Sabadell, S.A., for a total amount of 440,000 euros, to be used by the Fund Manager to pay for the initial expenses associated with the Bonds.

“Principal Account” means the financial account opened in the Fund's name at Banco de Sabadell, S.A., pursuant to the Contract for Opening the Guaranteed Interest Rate Account (Principal Account) into which the Fund Manager, on behalf of the Fund, will deposit, on each Payment Date during the Replacement Period, the amounts allocated for the amortisation of principal of the Bonds of Classes A, B and C during that period.

“Treasury Account” means the financial account opened in the Fund's name at the Banco de Sabadell, S.A. pursuant to the Contract for Opening the Guaranteed Interest Rate Account (Treasury Account) where all Fund deposits and payments will be made.

“Principal Deficit” means the positive difference, if any, between the Theoretical Amount of Principal and the Amount of Principal Available.

“Defaulted Credit Rights” means the Credit Rights that (a) are unpaid on a date for an amount equal to or greater than twelve (12) months of delay in the payment of the overdue amounts or that (b) may be classified as in default by the Fund Manager because there is reasonable doubt about their full repayment and (c) the Debtor has been declared insolvent.

“Debtors” means non-financial Catalan individuals or entities. At least 80% of Debtors are small and medium-sized companies pursuant to the definition of the European Commission of May 6, 2003 (2003/361/CE).

“Business Day” means any day other than (i) Saturday, (ii) Sunday, (iii) a holiday in Madrid, (iv) a holiday in Barcelona, or (v) a non-business day on the TARGET (*Trans European Automated Real-Time Gross Settlement Express Transfer System*) calendar.

“Distribution of Available Principal” means the applicable rules of the Available Principal Funds for amortising each one of the Classes, A, B, and C, on each Payment Date, as established in section 4.9.4 of the Prospectus Schedule.

“Registration Document” means the registration document of asset-guaranteed securities, the minimum disclosure requirements of which are contained in Appendix VII of Regulation 809/2004.

“Bond Issue” or ***“Issue”*** means the securitisation bonds issued against the Fund for an amount equal to or less than the face value of 500,000,000 euros, composed of five thousand (5000) bonds with a face value of one hundred thousand (100,000) euros each, pooled into the following classes: Class A, composed of Series A(S) and A(G), Class B, Class C, Class D and Class E.

“Issuer” means GC FTGENCAT SABADELL 1, FONDO DE TITULIZACIÓN DE ACTIVOS.

“Underwriting Entities”, means Banco de Sabadell, S.A. and Société Générale, branch office in Spain.

“Managing and Underwriting Entities”, means Banco de Sabadell, S.A. and Société Générale, branch office in Spain.

“Deed of Formation” means the public deed of formation of the Fund, assignment of the Initial Credit Rights by Banco de Sabadell, S.A. to the Fund and issue of the Bonds by the Fund.

“EURIBOR” means the *Euro Interbank Offered Rate*, which is the interbank term deposit rate in euros calculated as the daily average of the quotes provided for fifteen maturity dates by a panel composed of 57 Banks that are among the most

active in the Euro zone. The rate is quoted based on the calculation of the calendar days to maturity and on a 360-day year, and it is fixed at 11:00 AM (CET) and carried to three (3) decimal positions.

“Formation Date” or ***“Fund Formation Date”*** means the day that the Deed of Formation is signed, meaning 02.12.05.

“Disbursement Date” means 7 December 2005, the day when the effect of amount for subscription of the Bonds shall be disbursed.

“Determination Date”, means the third Business Days prior to the Payment Date.

“Fixing Date” means, for each Interest Accrual Period, the second Business Day prior to the Payment Date that sets the start of the corresponding Interest Accrual Period. For the first Interest Accrual Period, the fixing date of the Reference Interest Rate shall be the second Business Day prior to the Disbursement Date.

“Formalisation Date” means the date when the Initial Assets have been formalised.

“Settlement Date” or ***“Early Settlement Date”*** means the date on which the Fund Manager settles the Fund as a consequence of any of the Early Settlement Circumstances enumerated in section 4.4.3 of the Registration Document.

“Offer Date” means the date when the Fund Manager sends written notification to the Assignor demanding assignment of Additional Credit Rights for the Fund, thereby indicating the Maximum Acquisition Amount and the corresponding Replacement Date for assignment to the Fund and payment of the assignment.

“Payment Date” means 19 March, 19 June, 19 September and 19 December of each year or the next business day if any of these dates does not fall on a business day. The first Payment Date shall be 19.03.06.

“Replacement Date” means each replacement date, meaning 19 September 2006, 19 March 2007, 19 September 2007, 19 March 2008, during the Replacement Period when the Fund, represented by the Fund Manager, shall make successive

acquisitions of Additional Credit Rights in order to replace the decrease of the amount of the Credit Rights, in the amount reached by the Available Principal Funds.

“Legal Maturity Date” means thirty-six (36) months after the maturity of the Fund’s Asset with the longest maturity period.

“Early and Definitive End of the Replacement Period” means the early and definitive end of the Replacement Period, as from the date, inclusive, when any of the following circumstances would have occurred, if applicable: (i) the acquisition of additional Credit Rights would have remained suspended on two Replacement Dates; (ii) a partial coverage of the Maximum Acquisition Amount would have occurred on two Replacement Dates by a percentage of less than 50% of the same; (iii) Banco de Sabadell, S.A. were in a situation of bankruptcy; (iv) the rating of the un-subordinated and un-guaranteed short-term debt of Banco de Sabadell, S.A. would have dropped below BBB according to the Fitch rating scale; (v) it would have occurred that the amount of the allocated Reserve Fund were less than the required Minimum Level of the Reserve Fund on the Payment Date in progress; or (vi) the Outstanding Balance of the Credit Rights that were in default by more than ninety (90) days delay in payment of the overdue amounts (i) the Outstanding Balance of the Initial Credit Rights and (ii) Outstanding Balance of the Additional Credit Rights paid in the Fund up to 12 months earlier, on that same date, were greater than 0,85% in 2006, 2.15% in 2007 and 2.60% in 2008.

“Fitch” means Fitch Ratings España, S.A.

“Prospectus” or “Informative Prospectus” means the tripartite document composed of the Registration Document, the Supplemental Addendum and the Prospectus Schedule regulated in Regulation 809/2004.

“Fund” means GC FTGENCAT SABADELL 1, FONDO DE TITULIZACIÓN DE ACTIVOS.

“Reserve Fund” means the fund set up as a guarantee mechanism to protect against losses due to the defaulted Credit Rights and to allow the payments to be

made by the Fund pursuant to the Payment Priority Order described in section 3.4.6 of the Supplemental Addendum.

“Initial Reserve Fund” means the Reserve Fund formed on the Disbursement Date, charged against disbursement of the Loan for the Reserve Fund in the amount of nine million five hundred thousand (9,500,000) euros.

“Available Principal” means the amount equal to the sum of (i) the amount of the Available Principal Amount on the Payment Date retained in the seventh (vii) place of the Payment Priority Order and (ii) the balance of the Principal Account on the Payment Date of 19 June 2008 only.

“Funds Available for Settlement” means: a) The Available Funds; and b) the amounts that the Fund may obtain from the disposal of the assets that may remain in the Events of Early Settlement.

“GestiCaixa” means GestiCaixa, SGFT, S.A.

“Maximum Acquisition Amount” is the maximum amount that the Fund Manager, in representation of the Fund, shall assign on each Replacement Date to the acquisition of Additional Credit Rights and represents the amount of the Available Principal on the corresponding Determination Date.

“Maximum Amount of the Credit Rights”, means the maximum amount that the Fund Manager, in representation of the Fund, shall assign on each Replacement Date to the acquisition of Additional Credit Rights shall be the amount of the Available Principal Funds on the corresponding Determination Date.

“Theoretical Principal Amount” means the positive difference on the Payment Date between (a) the sum of (i) the Net Outstanding Balance of Principal of the Bonds and (ii) the amounts drawn down and not repaid, charged to the Generalitat’s Guarantee de Catalunya for payment of the principal of the Series A(G) Bonds on the preceding Payment Dates, and (b) the Outstanding Balance of the non-Defaulted Credit Rights corresponding to the last day of the month prior to the Payment Date.

"Law 19/1992" means Law 19/1992, of 7 July, on the Regulation of Real Estate Investment Funds and Companies and Mortgage Securitisation Funds.

"Act 44/2002" means Act 44/2002, of 22 November, on Reform Measures of the Financial System.

"Early Settlement" means the settlement of the Fund and with it the early redemption of the Bond issue on a date prior to the Legal Maturity Date under the circumstances and pursuant to the procedures established in section 4.4.3 of the Registration Document.

"Financial Brokerage Fee" means the remuneration received by Banco de Sabadell, S.A. for the process of financial brokering that allows the definitive financial transformation of the Fund's activity, the acquisition of the Credit Rights and the rating granted to each one of the classes of Bonds.

"Supplemental Addendum" means the Supplemental Addendum of asset-guaranteed securities, the minimum disclosure requirements of which are included in Appendix VIII of Regulation 809/2004.

"IFRS" means the International Financial Reporting Standards.

"Minimum Level of the Reserve Fund" means the lower of the following amounts: (i) 1.90% of the Total Amount of the Bond Issue; and (ii) 3.80% of the Outstanding Balance Pending Payment of the Bonds.

"Notional of the Swap" means the amount resulting from totalling the Outstanding Balance of Principal of the Bonds in each one of the Series on the Determination Date prior to the Settlement Date in progress, minus, in this case, less the Principal Deficit on the previous Settlement Date.

"Prospectus Schedule" means the schedule of debenture securities with a unit denomination equal to or greater than 50,000 euros, the minimum disclosure requirements of which are Included in Appendix VIII of Regulation 809/2004.

“Payment Priority Order” means the order of priority for the application of the payment or withholding duties of the Fund both for applying the Available Funds and for distributing the Amounts of Principal Available.

“Settlement Payment Priority Order” means the order of priority of the Fund's payment or withholding duties for application of the Funds Available for Settlement on the Legal Maturity Date or on the Payment Date on which the Early Settlement may take place.

The *“Determination Period”* means the period between two Determination Dates, including the first and excluding the second.

“Interest Accrual Period” means the actual number of days between two consecutive Payment Dates, including the initial Payment date and excluding the Final Payment Date. The first Interest Accrual Period will commence on the Disbursement Date, inclusive, and will end on the first Payment Date, excluded.

“Subscription Period” means the subscription period of the Bonds, which is between 10:00 (CET time) and 13:00 (CET time) on the Business Day prior to the Disbursement Date.

“Replacement Period” means the period of time included between the Formation Date and 19 March 2008, when the Fund Manager, on behalf of the Fund, will make acquisitions, if applicable, of the Additional Credit Rights on each one of the Replacement Dates.

“Interest Rate Swap” means the interest swap intended to cover the interest rate risk to which the Fund is exposed due to the fact that the Credit Rights are subject to adjustable interest rates pegged to different indices of reference and different revision periods than those established for the Bonds. In addition, the financial swap is intended to cover the implicit risk that the Credit Rights could be renegotiated and that the agreed interest rates could be reduced. It is regulated in the Interest Swap Contract.

“Loan for the Reserve Fund” means the loan granted by Banco de Sabadell, S.A. to the Fund, pursuant to the provisions in the Loan Agreement for the Reserve Fund.

“Loan for Initial Expenses” means the loan granted by Banco de Sabadell, S.A. to the Fund under the Loan Agreement for Initial Expenses.

“SMEs” means small- and medium-sized enterprises in accordance with the definition of the European Commission of 6 May 2003 (2003/361/CE).

“Royal Decree 926/1998” means Royal Decree 926/1998, of 14 May, which regulated asset securitisation funds and the managers of securitisation funds.

“Regulation 809/2004” means Commission Regulation (EC) number 809/2004, of 29 April 2004, pertaining to Directive 2003/71/EC of the European Parliament and of the Council as regards the information contained in prospectuses, as well as the format, incorporation by reference and publication of said prospectuses and advertising.

“Election Requisites” mean the election requisites that the Credit Rights will have to fulfil, both on the Formation Date and on the corresponding Replacement Date in order to be assigned to and incorporated into the Fund.

“Individual Requisites” mean the Election Requisites that each one of the Credit Rights shall individually fulfil in order to be assigned to the Fund on both the Formation Date and on the corresponding Replacement Date.

“Overall Requisites” mean the Election Requisites that shall be fulfilled in aggregate by the Credit Rights for the assignment thereof to the Fund.

“Resolution”, means the Resolution ECF/2186/2005, of 16 June of the Department of Economy and Finance of the Generalitat de Catalunya, which approved the conditions and documentation for obtaining the state guarantee foreseen in article 29.14 of Law 11/2004 of 27 December.

“Outstanding Balance” or “Outstanding Balance of Principal” means the total outstanding balance of principal of all bonds in a class or series on a particular date.

“Net Outstanding Principal” means the Outstanding Balance of Principal, on a certain payment date, of each class of Bonds before the amortisation corresponding to that Payment Date, less the amount accrued on the previous Payment Dates and deposited in the Principal Account for amortisation of the Bonds of the class in question.

“Initial Balance” or “Initial Outstanding Balance” means the price of the assignment of the Initial Credit Rights.

“Outstanding Balance” means the total of the capital or principal of a Credit Right not yet due and payable on a particular date and the instalment due and not yet paid into the Fund, not including Defaulted Amounts

“Outstanding Balance of Credit Rights”) means the total of the instalments of a Credit Right not yet due and payable on a particular date and the amount due and not paid into the fund.

“Outstanding Balance of the Non-defaulted Credit Rights” means the total of the instalments of a Credit Right not yet due and payable on a particular date and the amount due and not paid into the Fund, not including Defaulted Amounts.

“SCLBARNA”, means the Security Compensation and Settlement Service of the Stock Exchange of Barcelona.

“Fund Manager” means Gesticaixa, SGFT, S.A.

“Early Settlement Circumstances” are those enumerated in section 4.4.3 of the Registration Document.

“Swap” means Interest Rate Swap.

“Interest Rate of Reference” means the three-month (3) EURIBOR, except for the first interest accrual period.

“IRR” means the internal rate of return as defined in section 4.10 of the Prospectus Schedule.