

**GC FTPYME PASTOR 4,
ASSET SECURITISATION FUND**

**SECURITISATION BOND ISSUE
630.000.000 EUROS**

Series A1	260,000,000 euros	Aaa (Moody's)/AAA (S&P)
Series A2	256,600,000 euros	Aaa (Moody's)/AAA (S&P)
Series A3(G) *	50,400,000 euros	Aaa (Moody's)/AAA (S&P)
Series B	15,800,000 euros	Aa2 (Moody's)/AA (S&P)
Series C	15,700,000 euros	A2 (Moody's)/A (S&P)
Series D	18,900,000 euros	Baa3 (Moody's)/BBB (S&P)
Series E	12,600,000 euros	Ba3 (Moody's)/BB (S&P)

** Series A3G Bonds secured by State Warranty*

BACKED BY LOANS EXTENDED AND ADMINISTERED BY

BANCO PASTOR, S.A.

MANAGING ENTITIES

BANCO PASTOR, S.A. CALYON, Branch Office in Spain
MERRILL LYNCH INTERNATIONAL

UNDERWRITING AND PLACEMENT ENTITIES:

BANCO PASTOR, S.A. CALYON, Branch Office in Spain
ERRILL LYNCH INTERNATIONAL

PAYMENT AGENT

BANCO PASTOR, S.A.

FUND FORMED AND ADMINISTERED BY

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

7 November 2006

Prospectus registered in the Registers of the National Securities Market Commission

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This document constitutes the informative prospectus (hereinafter, indistinctly, the "**Informative Prospectus**" or the "**Prospectus**") of the asset securitisation fund GC FTPYME PASTOR 4, FTA (hereinafter the "**Fund**") approved and registered with the National Securities Market Commission, pursuant to the provisions in Commission Regulation (EC) 809/2004 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**");
4. A supplemental addendum to the Prospectus Schedule prepared in accordance with the addendum provided for in Appendix VIII of Regulation 809/2004 (hereinafter, the "**Supplemental Addendum**"); and
5. A glossary of definitions (hereinafter, the "**Glossary of Definitions**").

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 constitutes a separate pool of property lacking legal personality which, pursuant to Royal Decree 926/1998, is 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 substitution 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 the Bankruptcy Law

Both Banco Pastor, S.A. and the Fund Manager may be declared to be in bankruptcy proceedings.

In accordance with the 2nd Additional Provision of Bankruptcy Act 22/2003 of 9 July (hereinafter, the “**Bankruptcy Act**”), the bankruptcy specialities of the 5th Additional Provision of Act 3/1994 remain in force, wherefore, if no fraud in the assignment exists in the event of the bankruptcy of Banco Pastor, S.A. as the Assignor of the Non-Mortgage Loans and Issuer of the Mortgage Transfer Certificates, the assets belonging to the Fund (including the Mortgage Loans and the Non-Mortgage Loans), except for money due to its nature as a consumable good, which existed in the pool of property of Banco Pastor, 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.

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, in particular for the purpose of Article 1527 of the Civil Code, section 3.3.1 of the Supplemental Addendum provides 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 Loans pending amortisation, and notify that the payments derived from the same shall only be fully discharged if they are made in the Amortisation account opened on behalf of the Fund”*.

Likewise, and for the purpose of alleviating the stated risk, certain mechanisms have been provided, which are described in sections 3.4.4.1 (Amortisation account), 3.4.5 (Collection by the Fund of payments pertaining to the assets) and 3.7.2.1 (Collections management) 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, as previously indicated.

The aforementioned notwithstanding, the bankruptcy of any of the subjects taking part (whether Banco Pastor, S.A., the Fund Manager or any other counterpart entity of the Fund) 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 Class or 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 Class.

c) Duration

The calculation of the average life and the duration of the Bonds of each Class or Series which is included in section 4.10 of the Prospectus Schedule, is subject, among other things, to the hypothesis of early amortisation rates and Loan arrears that may not prove true. Satisfaction of the early amortisation fee of the Loans 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 Rating Agencies before the start of the Subscription Period shall constitute an event of termination of the formation of the Fund, of the transfer of the Non-Mortgage Loans, of the Mortgage Transfer Certificates and of the Bond Issue.

III. RISKS DERIVED FROM THE ASSETS THAT ENDORSE THE ISSUE

a) Risk of non-payment of the Loans

The holders of the Bonds issued against the Fund run the risk of non-payment of the Loans pooled into the Fund. Nevertheless, improved credit measures have been arranged which are included in section 3.4.2.1 of the Supplemental Addendum.

Banco Pastor, S.A., as the Assignor, does not accept any liability for default by the Debtors, whether of the principal, interest or any other amount that they may owe by virtue of the Loans. Banco Pastor, in accordance with Article 348 of the Commercial Code, will be liable to the Fund exclusively for the existence and legitimacy of the Loans, as well as for the status whereby it makes the assignment.

Banco Pastor, S.A. will in no other way assume the liability for directly or indirectly guarantying the success of the operation, or provide guaranties or endorsements, or enter into repurchase agreements of the Loans, except for the commitments included in section 2.2.9. and 3.7.2. of the Supplemental Addendum pertaining to the substitution of the Loans 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 for Banco Pastor, S.A. or for the Fund Manager. Except for the State Warranty, whose terms are described in section 3.4.7.2. of the Supplemental Addendum, there are no other guarantees given by any public or private entity, including Banco Pastor, 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, among other things, by a deterioration in the global economic conditions that has a negative effect on the Loans that support the issue of the Bonds.

In the event that delinquent Loans reach high levels, the limited protection against losses to the portfolio of Loans afforded to the Bonds in each Class have separately as a result of the existence of the improved credit operations described in section 3.4.2 of the Supplemental Addendum could be reduced or even depleted entirely.

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 amortisation of the Loans.

The Loans pooled into the Fund shall be amortised early when the Debtors repay the outstanding balance of the capital of the Loans in advance, or in the event that Banco Pastor, S.A. is subrogated in the corresponding Loans by another financial entity empowered to do so, or by virtue of any other cause that may produce the same effect.

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

SECURITISATION BOND REGISTRATION DOCUMENT
(Appendix VII of EC Regulation number 809/2004 of the Commission)

1. RESPONSIBLE PERSONS

1.1 PERSONS RESPONSIBLE FOR THE INFORMATION INCLUDED IN THE REGISTRATION DOCUMENT

- 1.1.1 Mr. Xavier Jaumandreu Patxot, acting 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 powers 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 19 September 2006.

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

- 1.2.1 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 of this Registration Document, the Fund has no historical financial information.

During the course of the operations, the annual accounts of the Fund will be audited and verified by account auditors. The annual accounts of the Fund and the audit report of the same shall be deposited in the Companies Registry and in the CNMV.

The Board of Directors of the Fund Manager, in its meeting on 19 September 2006, appointed Deloitte, S.L. as the Fund auditors for a period of 3 years, including 2006, 2007 and 2008. It has its registered office at Plaza Pablo Ruiz Picasso, num.1, 28020 Madrid, Spain and is holder of Corporate Tax Code: B79104469, registered in the Companies Registry of Madrid, Volume 13650, Sheet 188, Section 8, Page M- 54414, as well as in the R.O.A.C. (*Official Register of Auditors*) with number S0692. The Board of Directors of the Fund Manager shall inform the CNMV, the rating agencies and the holders of the Bonds of any change that may occur 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 initial expenses of the Fund and the expenses from issuing the bonds (hereinafter, the “**Bonds**”) will be financed through a commercial loan (hereinafter, the “**Loan for Initial Expenses**”), which will be amortised quarterly by the amount that said initial expenses would be amortised in accordance with the official Fund accounting, and in any event over a maximum term of five (5) years as 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 issuer are described in part 1 of 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 FTPYME PASTOR 4, Asset Securitisation Fund".

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 7 November 2006.

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 Managing Company together with Banco Pastor, S.A. (hereinafter, indiscriminately "**Banco Pastor, S.A.**" or the "**Assignor**") as assignor of the loans, will proceed to execute on 10 November 2006 the public deed of constitution of GC FTPYME PASTOR 4, ASSET SECURITIZATION FUND, assignment by Banco Pastor, S.A. to the fund of non-mortgage loans and mortgage loans by means of the issue of mortgage transmission certificates and issue by the fund of securitization bonds, under the terms set out in section 6 of Royal Decree 926/1998 (hereinafter, the "**Deed of Constitution**").

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 regulations 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 Fund Manager to the CNMV or another competent administrative body or the Rating Agencies, 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 Agencies. A modification of the Deed of Formation shall be communicated by the Fund Manager to the CNMV and to the Ratings Agencies. 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 will be up until 15 July 2045, or, if this date were not a business day, the following business day, unless early settlement had previously occurred, 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 had taken place.

4.4.3 Early Settlement of the Fund

The Fund Manager, subject to prior communication to the CNMV, shall be authorised to proceed with the Early Settlement of the Fund and, in conjunction therewith, the Early Amortisation and extinction of the Fund on a Payment Date for all of the Bond Issue under any of the following circumstances (hereinafter, the “*Circumstances of Early Settlement*”):

Circumstances of Early Settlement

- (i) Whenever the amount of the Outstanding Balance of the non-Defaulted Loans is less than 10 percent of the Initial Outstanding Balance of the Loans on the Formation Date of the Fund, pursuant to the authorisation set forth in Article 5.3 of Act 19/1992, and provided that the sale of the Loans pending amortisation, together with the balance that may exist at that time in the Amortisation 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.

When forty two (42) months have elapsed from the last maturity date of the loans, even though there may still be amounts due and pending collection. Nevertheless, the date of legal maturity of the fund will be the payment date, following the date on which forty eight (48) months has elapsed from the last date of maturity of the loans.

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 Ratings Agencies, shall likewise be published in the Official Daily Gazette of the AIAF Market 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 included in stipulation 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 Non-Mortgage Loans and the Mortgage Transfer Certificates for a price no lower than the sum of the amount of the principal plus the unpaid accrued interest of the Loans pending amortisation.
- (ii) Cancel those contracts that are not necessary for the Settlement process of the Fund.
- (iii) It shall be authorised to arrange a line of credit that will be entirely and immediately assigned to early amortisation of the Bond Issue and to redemption of the amounts owed to the State for the number of executions of the State Warranty for Series A3G. Payment of the accrued financial costs and redemption of the principal of the line of credit shall be made in accordance with the Settlement Payment Priority Order.

In the event that the preceding actions were insufficient or Loans or other assets were to remain 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 Loans 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 Loans granted by the Assignor. In order to exercise the said right to first refusal, the Assignor shall have a period of ten (10) business days as of the date when the Fund Manager notifies them of the conditions for disposing of the loans.

The Fund Manager, having made the reserve for the initial extinction expenses, shall immediately apply all the amounts obtained from the disposal of the Loans of the Fund to payment of the various items 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 be extinguished under any of the following circumstances:

- (i) Due to the complete amortisation of the Non-Mortgage Loans and the Mortgage Transfer Certificates pooled together.
- (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 of payment following the date when forty eight (48) months have elapsed as of the final maturity date of the loans, even though there may still be amounts due and pending collection, that is to say, on the Statutory Maturity Date of the Fund.
- (v) The Fund shall likewise be cancelled if, before the start of the Subscription Period, the Rating Agencies did not definitively confirm the ratings provisionally assigned or if circumstances of force majeure occurred prior to the

start of the Subscription Period and in accordance with Article 1105 of the Civil Code according to the provisions in the management, underwriting and brokerage contract for the bond issue (hereinafter, the “**Management, Underwriting and Brokerage Contract for the Bond Issue**”). In these cases, the Fund Manager shall terminate the Formation of the Fund, the assignment of the Loans to the Fund and the ensuing issue and subscription of the Mortgage Transfer Certificates that facilitate their assignment 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 pay the initial 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 there were any balance remaining after Settlement of the Fund and after having made all payments owed to the various creditors by distributing the Funds Available for Settlement pursuant to the Settlement Payment Priority Order established in section 3.4.6 of the Supplemental Addendum, the said amount shall be in favour of the Assignor under the conditions that may be 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 Funds Available for Settlement, 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 Funds

Available 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 notarised 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, and it shall be closed pursuant to Article 3 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., incorporated in Spain, with its registered office at Avenida Diagonal, 621, in Barcelona. The contact telephone number is 93 404 7794

“GC FTPYME PASTOR 4, Fondo de Titulización de Activos” is formed by virtue of the provisions in the Ministerial Order of 28 December 2001, amended by Order ECO/1064/2003 of 29 April 2003, on Agreements for the Promotion of Asset Securitisation Funds in order to favour business financing. The GC FTPYME PASTOR 4 Fund shall be regulated according to (i) this Prospectus Schedule; (ii) the deed of formation (hereinafter, the “**Deed of Formation**”) of the Fund; (iii) Royal Decree 926/1998 and its secondary legislation; (iv) Act 19/1992 of 7 July, on the Regulation of Real Estate Investment Funds and Companies and on Mortgage Securitisation Funds, where Royal Decree 926/1998 may be silent and to the extent that it may be applicable; (v) the Order of 28 December 2001; (vi) Act 24/1988 of 28 July, on the Securities Market, in its current version, as regards the supervision, inspection and sanction thereof; (vii) Act 44/2002 of 22 November, on Reform Measures of the Financial System (hereinafter, “**Act 44/2002**”); and (viii) all other legal and regulatory provisions in force that may be applicable at any time.

4.5.1 Tax regime of the Fund

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, the characteristics of the tax 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 Bond issue will be exempt from Value Added Tax (article 20.one.18 of the Law on VAT) and from the Tax on Patrimonial Transfers and Documented Legal Acts (article 45-I.B number 15 of the Revised Text concerning the Tax on Patrimonial Transfers and Documented Legal Acts).
- c) The fund is subject to Corporate Income Tax at the rate in force at any given time, which is currently 35%.
- d) The administration of the Fund by the Fund Manager is exempt from Value Added Tax.

As regards the earnings of the Mortgage Participations, Mortgage Transfer Certificates, Loans and other credit rights that could constitute income of the Fund, there shall be no obligation to withhold or make interim deposits.

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 Loans held by Banco Pastor, S.A. granted to non-financial firms residing in Spain, of which 98% are small and medium enterprises, and it consists of the issue of securitisation bonds designed to finance the acquisition of the Loans, the insured placement of which is directed at qualified investors.

All income received by the Fund from interest and from redemption of the principal of the acquired Loans 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 principal and interest of the Loans 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 Loans 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. 67100
Corporate address: Avenida Diagonal, 621 08028 Barcelona

GESTICAIXA is registered with the Mercantile Registry of Barcelona, Tome 34187, Folio 192, sheet B-50432, Inscription 14th.

No credit rating has been issued to the Fund Manager.

BANCO PASTOR, S.A.

Banco Pastor, S.A. is a bank incorporated in Spain, it is registered in the Companies Registry of A Coruña in volume 91, book 3, section 3, folio 107, page 33, entry 1, and it is registered in the Special Register of Banks and Bankers of the Bank of Spain, holding number R-2 and with coding number 0072.

Tax ID number A-15000128
Registered corporate address and operational headquarters: Cantón Pequeño número 1, 15003 A Coruña (Spain)

Ratings of the unsubordinated and unsecured, short-term and long-term debt of Banco Pastor, S.A. assigned by Rating Agencies: by Moody's in December 2005 and by S&P in February 2006.

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

CALYON, Branch Office in Spain

CALYON, Branch Office in Spain, is the subsidiary in Spain of a French credit entity that is registered in the Special Register of Banks and Bankers with the number 0154.

Tax ID Number: A-0011043-G

Corporate address: Paseo de la Castellana, 1, 28001, Madrid

Ratings of the unsubordinated and unsecured, short-term and long-term debt of CALYON, assigned by the Ratings Agencies: by S&P on 4 June 2003, by Moody's on 16 March 2004, and by Fitch on 6 June 2003.

Ratings	Fitch	Moody's	S&P
Short term	F1+	P-1	A-1+
Long term	AA	Aa2	AA-

MERRILL LYNCH INTERNACIONAL

Merrill Lynch Internacional is a credit entity in the United Kingdom, registered in England with the number 2312079.

Domiciled at Merrill Lynch Financial Centre, 2 King Edward Street, London EC1A 1HQ and with VAT number: GB 245 1224 93.

DELOITTE S.L.

Tax ID Number: B-79104469 and registered in the R.O.A.C. under number S0692

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

MOODY'S INVESTORS SERVICE ESPAÑA, S.A.

Tax ID Number: A-80448475

Corporate address: calle Bárbara de Braganza 2 28004 Madrid

STANDARD & POOR'S ESPAÑA

Tax ID Number: A-80310824

Corporate address: calle Marqués de Villamejor 5, 28006 Madrid

J&A GARRIGUES, S.L.

Tax ID Number: B-81709081

Corporate address: Hermosilla 3, 28001, Madrid.

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

There is no known existence of any other type of direct or indirect ownership or control between said legal personalities that participate in the securitisation operation.

6. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The administration and legal representation of the Fund corresponds to the Fund Manager, GESTICAIXA, SOCIEDAD GESTORA DE FONDOS DE TITULIZACION 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 Fund Manager of mortgage securitisation funds 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 Act 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 34187, Folio 192, sheet B-50432, 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 2005, 2004 and 2003 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 2005, 2004 and 2003 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 30.09.06, GESTICAIXA administers 19 securitisation funds, 9 of which are mortgage securitisation funds and 10 are asset securitisation funds.

The following table lists the 19 securitisation funds that are administered, indicating their formation dates and the nominal amounts of the bonds issued against them and their outstanding balances of principal, in thousands of euros:

Securitisation Fund (In thousands of euros)	Date Founded	Initial Bond Issue	Balance on 30/09/2006	Balance on 31/12/2005	Balance on 31/12/2004
FONSCAIXA HIPOTECARI 1, FTH (*)	14/07/1999	600.000	108.029	135.411	180.285
FONSCAIXA HIPOTECARI 2, FTH (*)	22/02/2001	600.000	211.512	248.454	303.594.
FONSCAIXA HIPOTECARI 3, FTH (*)	06/07/2001	1.500.000	749.906	840.381	970.689
FONSCAIXA HIPOTECARI 4, FTH (*)	13/12/2001	600.000	298.047	334.908	386.486
FONSCAIXA HIPOTECARI 5, FTH (*)	15/10/2002	600.000	369.551	410.906	470.311
FONSCAIXA HIPOTECARI 6, FTH (*)	17/12/2002	600.000	374.283	417.062	474.498
FONSCAIXA HIPOTECARI 7, FTH (*)	26/09/2003	1.250.000	895.197	984.100	1.106.912
FONSCAIXA HIPOTECARI 8, FTH (*)	15/03/2005	1.000.000	841.988	918.299	-----
GC SABADELL 1, FTH	12 /07/2004	1.200.000	852.188	1.050.000	1.200.000
GC FTGENCAT II, FTA (*)	28 /03/2003	950.000	346.725	467.414	634.270
GC FTPYME PASTOR 1, FTA	28/10/2003	225.000	89.403	121.472	172.005
GC FTPYME PASTOR 2, FTA	28/10/2004	800.000	425.762	559.940	800.000

Securitisation Fund (In thousands of euros)	Date Founded	Initial Bond Issue	Balance on 30/09/2006	Balance on 31/12/2005	Balance on 31/12/2004
FONCAIXA FTPYME 1, FTA (*)	27/11/2003	600.000	415.000	415.000	600.000
GS COMPASS SPAIN 1, FTA	10/12/2004	150.000	48.807	110.024	147.462
FONCAIXA FTGENCAT 4, FTA (*)	14/07/2006	606.000	606.000	-----	-----
FONCAIXA HIPOTECARIO 9, FTA (*)	29/03/2006	1.500.000	1.398.305	-----	-----
GC FTPYME SABADELL 4, FTA	21/10/2005	750.000	750.000	750.000	-----
FONCAIXA FTGENCAT 3, FTA (*)	15/11/2005	656.500	656.500	656.500	-----
GC FTGENCAT SABADELL 1, FTA	2/12/2005	500.000	500.000	500.000	-----

6.4. SHARE CAPITAL AND OWNERS' EQUITY

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.

	31/12/2005	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	1.400.992,26	1.326.338,61	1.127.640,27
Interim dividends	-1.239.103,29	-1.177.215,29	0,00
Shareholders' Equity	1.964.888,97	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 PARTICIPATIONS 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 have their registered professional address at Avenida Diagonal 621, 08028 Barcelona:

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

The Managing Director of the Fund Manager is 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

None of the persons cited in the preceding section performs activities outside the Fund Manager that are relevant with respect to the Fund.

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 the same 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, and it is not involved in any situation of bankruptcy.

6.10 PRINCIPAL TRANSACTIONS WITH RELATED PARTIES AND CONFLICTS OF INTEREST

The related transactions performed by the Fund Manager are those securitisation operations in which Caja de Ahorros y Pensiones de Barcelona, “la Caixa”, has participated as an Underwriting and Placement Entity on the placement of the bonds or as the Assignor of the assets in the funds managed by the Fund Manager. More specifically, this circumstance occurs in 13 of the 19 funds specified in the table shown in section 6.3 above. The related transactions are marked with an asterisk (*) on that table.

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.

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

Not applicable.

8.3 COURT AND ARBITRATION PROCEEDINGS

Not applicable.

8.4 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

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, including the State Warranty;
- e) The audit report on certain characteristics and attributes of a sample of the set of Loans selected for their assignment to the Fund;

- f) The letters of the Ratings Agencies notifying the ratings assigned to each one of the Series of the Bond Issue;
- g) The letters of declaration of the Management Entities of the Bond Issue;
- h) The letter of declaration of the Assignor of the Loans;
- i) The annual accounts of the Fund Manager and the corresponding audit reports; and
- j) 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, and at the web page of AIAF at www.aiaf.es. It is also available to investors interested in the offer through the Underwriting and Brokerage Entities.

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

The Deed of Formation of the Fund can be physically consulted at the registered address of Iberclear in Las Rozas (Madrid, Spain) at calle Tramontana número 2-Bis.

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 at its meeting on 29.06.01. He furthermore acts for the formation of the Fund by virtue of express powers awarded to him by the Board at its meeting on 19.09.06.

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

The risk factors related to the securities are described in section II on the Risk Factors of this Prospectus.

The risk factors related to the assets that endorse the issue are described in section III of the preceding 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 SGFT, S.A. is the Fund Manager.
- (b) BANCO PASTOR, S.A.; CALYON, Branch office in Spain; and GESTICAIXA SGFT, S.A. have designed and structured the operation.
- (c) BANCO PASTOR, S.A., is the Assignor of the Loans that will be pooled into the Fund.
- (d) CALYON, Branch office in Spain, MERRILL LYNCH INTERNATIONAL and BANCO PASTOR, S.A. are the Management Entities responsible for the placement of the Bond Issue.
- (e) CALYON, Branch office in Spain, MERRILL LYNCH INTERNATIONAL and BANCO PASTOR, S.A., are the Underwriting Entities of the Bond Issue.
- (f) BANCO PASTOR, S.A. is the Payment Agent and Depository of the Mortgage Transfer Certificates.
- (g) DELOITTE, S.L. is the Auditor of the Assets of the Fund and the Fund Auditor.
- (h) J & A GARRIGUES, S.L. is the legal advisor of the Bond Issue.
- (i) MOODY'S INVESTORS SERVICE ESPAÑA, S.A. and STANDARD & POOR'S ESPAÑA are the Rating Agencies.

The Fund Manager is unaware of the existence of any link or significant financial interest between the participating entities in the Bond Issue, except for the strictly

professional link derived from their participation as detailed in this section and in section 5.2 of the Registration Document.

Purpose of the operation.

The amount of the bond issue (hereinafter, the “**Bonds**”) is wholly assigned to the subscription of the Loans pooled into the Fund.

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 stand at six hundred and thirty million (630,000,000) euros, represented by six thousand three hundred (6,300) bonds each with a face value of one hundred thousand (100,000) euros. The Bonds will be distributed in five (5) classes (hereinafter, the “**Classes**”, and individually, a “**Class**”).

- **Class A**, made up of three (3) series (hereinafter, “**Series**”) of Bonds:
 - Series A1: two thousand six hundred (2600) bonds for a total amount of two hundred and sixty million (260,000,000) euros.
 - Series A2: Two thousand five hundred and sixty six (2566) bonds for a total amount of two hundred and fifty six million six hundred thousand (256,600,000) euros.
 - Series A3G: five hundred and four (504) bonds, for a total amount of fifty million four hundred thousand (50,400,000) euros.
- **Class B**: comprised of just one series of one hundred and fifty eight (158) bonds for a total amount of fifteen million eight hundred thousand (15,800,000) euros.
- **Class C**: comprised of just one series of one hundred and fifty seven (157) bonds for a total amount of fifteen million seven hundred thousand (15,700,000) euros.

- **Class D:** comprised of just one series of one hundred and eighty nine (189) bonds for a total amount of eighteen million nine hundred thousand (18,900,000) euros.
- **Class E:** comprised of just one series of one hundred and twenty six (126) bonds for a total amount of twelve million six hundred thousand (12,600,000) euros.

Any mention in this Prospectus of Classes B, C, D or E is equivalent to Series B, C, D or E, respectively.

Ownership or subscription of one of the Classes 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.

The bonds are issued at one hundred (100) percent of their face value. The issue price of the bonds of each of the series shall be one hundred thousand (100,000) euros (€100,000) per bond, free of fund taxes and subscription expenses for the subscriber. The taxes and expenses inherent to the bond issue shall be borne by the fund.

Underwriting of the placement of the Issue.

The placement of the Bond Issue and the Management of the same will be underwritten by Banco Pastor, S.A. and CALYON, Branch office in Spain (hereinafter, the **“Management and/or Underwriting Entities”**), pursuant to the Management, Underwriting and Placement Contract of the Bond Issue that the Fund Manager will enter into on behalf of the Fund, whereby the underwriting entities will agree to subscribe to or obtain subscribers for the Bonds, under their responsibility, at the amounts stated in section 4.1, and each one is liable for their respective underwritten amount.

ENTITY	SERIES A1		SERIES A2	
	Num.	AMOUNT	Num.	AMOUNT
Banco Pastor, S.A.	867	86,700,000	855	85,500,000
CALYON, Branch Office in Spain	867	86,700,000	855	85,500,000
Merrill Lynch International	866	86,600,000	856	85,600,000
TOTAL	2,600	260,000,000	2,566	256,600,000

ENTITY	SERIES A3G		SERIES B	
	Num.	AMOUNT	Num.	AMOUNT
Banco Pastor, S.A.	168	16,800,000	53	5,300,000
CALYON, Branch Office in Spain	168	16,800,000	53	5,300,000
Merrill Lynch International	168	16,800,000	52	5,200,000
TOTAL	504	50,400,000	158	15,800,000

ENTITY	SERIES C		SERIES D	
	Num.	AMOUNT	Num.	AMOUNT
Banco Pastor, S.A.	52	5,200,000	63	6,300,000
CALYON, Branch Office in Spain	52	5,200,000	63	6,300,000
Merrill Lynch International	53	5,300,000	63	6,300,000
TOTAL	157	15,700,000	189	18,900,000

ENTITY	SERIES E	
	Num.	AMOUNT
Banco Pastor, S.A.	42	4,200,000
CALYON, Branch Office in Spain	42	4,200,000
Merrill Lynch International	42	4,200,000
TOTAL	126	12,600,000

The aforementioned notwithstanding, after the Formation Date of the Fund and prior to the start of the Subscription Period, CALYON, Branch Office in Spain, and Banco Pastor, S.A., as the Management 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 Management Entities and Underwriters and Brokers listed in the previous table. The new underwriting entities shall become Underwriting and Brokerage Entities with the same rights and duties as the previously existing ones by express and full adherence 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 Pastor, S.A., 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 and Brokerage Entities shall assume the obligations contained in the Management and Underwriting Contract and which are basically the following:

- Each Management, Underwriting and Brokerage Entity agrees to subscribe in its own name, at the end of the subscription period, the amount of Bonds necessary to complete the amount of its respective underwriting commitment which had not been subscribed during the subscription period.
- Each one of the managing, underwriting and placement entities will make the payment made by investors of the face value of the bonds that would have been subscribed in the cash flow account as well as the face value of the bonds effectively subscribed on 15 November 2006, value on this same day before 10.15 (CET time) in the form established in this contract
- The Management, Underwriting and Brokerage Entities shall abstain from any activity that could be interpreted as directed at promoting the subscription or purchase offers of the Bonds in any country or jurisdiction other than Spain or with respect to nationals or residents in any country where the said promotion, offer, brokerage, mediation or sale activities may be prohibited or limited without complying with the requirements that may be established in applicable local legislation.
- The Bond placement will take place during the Subscription Period. This placement, and the allocation that is underwritten by each underwriter by virtue of the Management and Underwriting Agreement of the Placement, will be unrestricted and made at the discretion of the underwriter, thereby ensuring in every instance that no discriminatory treatment occurs between requests that have similar characteristics. Nevertheless, the Underwriting and Brokerage Entities may give priority to the requests from their clients that they deem appropriate.

The failure to have confirmation before the start of the Subscription Period of the provisional ratings given to the Bonds by the Rating 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 grounds for the termination of the Management and Underwriting Contract, the formation of the Fund and the Bond Issue.

Disbursement of the subscription undertakings assumed by each underwriter will be made on 15 November 2006 not later than 10.15 in the morning, Madrid time, on the date of disbursement by means of payment by each underwriter of the amount corresponding in the account open in the name of the fund in the payment agent, value on this 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, which can be applied to the face value underwritten by the entity, all by virtue of the Underwriting Agreement:

Class	Underwriting Commission
A1 Bonds	0.035%
A2 Bonds	0.035%
A3G Bonds	0.035%
B Bonds	0.035%
C Bonds	0.035%
D Bonds	0.035%
E Bonds	0.035%

Banco Pastor, S.A., Merrill Lynch Internacional and CALYON, Branch office in Spain will also act as managing 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 FTPYME PASTOR 4, Fondo de Titulización de Activos” is formed by virtue of the provisions in the Ministerial Order of 28 December 2001 and in the amendment thereof on 29 April 2003, on Agreements for the Promotion of Asset Securitisation Funds, in order to favour business financing. The GC FTPYME PASTOR 4 Fund shall likewise be subject to Spanish law and, specifically, to (i) Royal Decree 926/1998 and its implementing provisions; (ii) Royal Decree 1310/2005 of 4 November, which partially develops Act 24/1998, on the admission of trading of securities on official secondary markets, of public offers of subscription and the prospectus required for these purposes; (iii) Act 19/1992 of 7 July, on the Regime of Property Investment Funds and Companies and Mortgage Securitisation Funds where Royal Decree 926/1998 may be silent and where it may be applicable; (iv) the Order of 28 December 2001; (v) Act 24/1998 of 28 July, on the Securities Market, in its current draft as regards the supervision, inspection and sanctions thereof; and (vi) all other legal and regulatory provisions in force that may be applicable at any time.

This Prospectus Schedule has been prepared following the models provided for in Commission Regulation (EC) 809/2004 of 29 April 2004 (hereinafter, “**Regulation 809/2004**”), 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.

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 give rise to the effects provided for in Article 6 of Act 24/1998, of 28 July, on the Securities Market.

The Bondholders shall be identified as such (on their own behalf or by third parties) in accordance with the accounting register maintained by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. IBERCLEAR, with its registered address in Las Rozas (Madrid, Spain), calle Tramontana número 2-Bis (hereinafter, “**IBERCLEAR**”), which shall be designated as the entity in charge of the accounting registry of the Bonds in the Deed of Formation of the Fund such that

it compensates and liquidates the Bonds in accordance with the operating rules that, pertaining to securities admitted to trading on the AIAF Fixed-Rate Market (hereinafter, the “**AIAF Market**”) and represented by book entries, may be established or may be approved in the future by IBERCLEAR.

4.5 CURRENCY OF THE ISSUE

The securities shall be denominated in euros.

4.6 CLASSIFICATION OF THE SECURITIES ACCORDING TO SUBORDINATION

The Series B Bonds will be ranked behind the Bonds of Class A (Series A1, A2 and A3G), in accordance with the payment priority order of the Fund (hereinafter, the “**Payment Priority Order**”) and in the settlement payment priority order of the Fund (hereinafter the “**Settlement Payment Priority Order of the Fund**”) described in section 3.4.6 of the Supplemental Addendum.

For payment of the Interest and Repayment of the Principal as well as repayment to the State in the event of the prior execution of the warranty, the bonds of Series C and the Bonds of Class B will be ranked behind the Bonds of Class A (Series A1, A2 and A3G), in accordance with the Payment Priority Order of the Fund and the Settlement Payment Priority Order of the Fund described in section 3.4.6 of the Supplemental Addendum.

For payment of the Interest and Repayment of the Principal, the bonds of Series D as well as repayment to the State in the event of the prior execution of the warranty, the Bonds of Class B and the Bonds of Class C will be ranked behind the Bonds of Class A (Series A1, A2 and A3G), in accordance with the Payment Priority Order of the Fund and the Settlement Payment Priority Order of the Fund described in section 3.4.6 of the Supplemental Addendum.

For payment of the Interest and Repayment of the Principal, the bonds of Series E as well as repayment to the State in the event of the prior execution of the warranty, the Bonds of Class B, the Bonds of Class C and the Bonds of Class D will be ranked behind the Bonds of Class A (Series A1, A2 and A3G), in accordance with the Payment Priority Order of the Fund and the Settlement Payment Priority Order of the Fund described in section 3.4.6 of the Supplemental Addendum.

4.6.1. Statement regarding the order number that the interest payments on the Bonds occupy in the Payment Priority Order of the fund.

The payment of the accrued interest of the Bonds of Series A1, A2 and A3G, due and unpaid on prior Payment Dates holds third (3) place in application of the available funds (hereinafter, the “**Available Funds**”) of the Payment Priority Order established in section 3.4.6 of the Supplemental Addendum. The payment of interest accrued by the Bonds of Series A1, A2 and A3G as from the previous payment date holds fourth (4) place in said Payment Priority Order and fourth (4) place in application of the available funds for Settlement (hereinafter, the “**Available Funds for Settlement**”) in the Settlement Payment Priority Order of the Fund established in the same section.

Payment of the interest accrued by the Series B Bonds holds fifth (5) place 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 the down-ranking thereof, in which case, it shall hold the tenth (10) place, and it holds the sixth (6) place when applying the Available Funds for Settlement of the Settlement Payment Priority Order established in the same section.

The payment of the interest accrued by the Series C Bonds holds sixth (6) place 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 the down-ranking thereof, in which case, it shall hold the eleventh (11) place, and it holds the eighth (8) place when applying the Available Funds for Settlement of the Settlement Payment Priority Order established in the same section.

The payment of the interest accrued by the Series D Bonds holds seventh (7) place 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 the down-ranking thereof, in which case, it shall hold the twelfth (12) place, and it holds the tenth (10) place when applying the Available Funds for Settlement of the Settlement Payment Priority Order established in the same section.

The payment of the interest accrued by the Series E Bonds holds eighth (8) place 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 the down-ranking thereof, in which case, it shall

hold the thirteenth (13) place, and it holds the twelfth (12) place when applying the Funds Available for Settlement of the Settlement Payment Priority Order established in the same section.

4.6.2. Statement regarding the order number that the payment of the principal of the Bonds occupies in the Payment Priority Order of the fund.

The retention of the Available Amount for Amortising the Bonds of Classes A, B, C, D and E as a whole and without distinguishing between Classes, holds the ninth (9) place when applying the Available Funds of the Payment Priority Order established in the said section 3.4.6 of the Supplemental Addendum.

The principal of the Bonds of each series shall be amortised in accordance with the Distribution rules of the Funds Available for Amortisation that are included in section 4.9.4.5 of this Prospectus Schedule.

In the Settlement of the Fund, the amortisation of the Bonds of Class A (Series A1, A2 and A3G) holds fifth (5) place; the amortisation of the Bonds of Series B holds seventh (7) place; the amortisation of the Bonds of Series C holds ninth (9) place; the amortisation of the bonds of Series D holds eleventh (11) place; and the amortisation of the Bonds of Series E holds thirteenth (13) place in application of the Available Funds for Settlement of the Settlement Payment Priority Order established in said section 3.4.6 of the Supplemental Addendum.

4.7 DESCRIPTION OF THE RIGHTS LINKED TO THE SECURITIES.

General

Pursuant to legislation in force, the Bonds, object of this Prospectus Schedule, shall not entitle the investor who may acquire them to have any present and/or future policy right over GC FTPYME PASTOR 4, 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 GC FTPYME PASTOR 4, FTA Fund, the relevant ones of which are described in this Prospectus and in the Deed of Formation.

Any question, discrepancy or disagreement pertaining to the Fund or to the Bonds that are issued against the same and which 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 be entitled.

Spanish State Warranty for the Series A3G Bonds

The Ministry of Economy and Finance, by Ministerial Order, shall execute a warranty for the Fund before the formation thereof (the “**State Warranty**”), whereby the Spanish State will secure, with a waiver of the benefit of excussion established in Article 1830 of the Civil Code, the payment of the financial duties enforceable against the Fund derived from the Bonds of Series A3G for a nominal amount of fifty million four hundred thousand (50,400,000) euros.

The general features of the State Warranty and the execution thereof are described in section 3.4.7.2 of the Supplemental Addendum.

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 Determination 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 Classes, 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 date of disbursement, inclusive, and shall end on the first date of payment, 15 January 2007, 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 annual interest rate resulting from 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 ten-thousandth, thereby taking into account that, in the event that the closeness for rounding up or down is identical, such rounding will be made upward, 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* for the euro (hereinafter, the “**EURIBOR**”) or, if it must be replaced, determined as set forth below.

Exceptionally, the Reference Interest Rate of the Bonds of each one of the Series for the first Interest Accrual Period shall be determined by taking the EURIBOR rate at two-months maturity established at 11:00 AM (CET time) of the second (2) business day immediately before the Disbursement Date.

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

- (i) The three (3) month EURIBOR rate (except for the first Interest Accrual Period, when the two-month (2) EURIBOR rate shall be taken) shown on 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 (3) month EURIBOR rate (except for the first Interest Accrual Period, when the two-month (2) EURIBOR shall be used as shown on 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 Outstanding Principal Balance 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:
 - (iv) Banco Santander Central Hispano
 - (v) Banco Bilbao Vizcaya Argentaria (BBVA)
 - (vi) Deutsche Bank
 - (vii) 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), the Reference Interest Rate of the immediately preceding Interest Accrual Period shall be applicable, 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 fixed 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 Reference Interest Rate for each Series of Bonds:

The margins that will be applied to the Reference Interest Rate 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 A1: margin included between 0.03% and 0.04%, both inclusive.
- Series A2: margin included between 0.12% and 0.13%, both inclusive.
- Series A3G: margin included between 0.00% and 0.01%, both inclusive.
- Series B: margin included between 0.15% and 0.28%, both inclusive.
- Series C: margin included between 0.30% and 0.35%, both inclusive.
- Series D: margin included between 0.55% and 0.60%, both inclusive.
- Series E: margin included between 2.00% and 2.25%, both inclusive.

The margin applicable to each one of the Series A1, A2, A3G, B, C, D and E, 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 A1: margin of 0.035%
- Series A2: margin of 0.125%
- Series A3G: margin of 0.005%
- Series B: margin of 0.215%
- Series C: margin of 0.325%
- Series D: margin of 0.575%
- Series E: margin of 2.125%

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 and Brokerage 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.

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

Interest on Bonds of all types will be paid quarterly, on the 15 January, 15 April, 15 July and 15 October of each year (hereinafter “**Payment Dates**”) until the maturity 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. The first Payment Date shall be 15 January 2007.

If on a Payment Date, and in spite of the mechanisms set forth for the protection of the rights of the Bondholders, the Available Funds 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 Funds 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 the Outstanding Balance of Principal thereof (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 may be possible, without thereby accruing additional interest. The pending payments 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 said period, as specifically indicated for the Bonds of Class A. This is all without prejudice to the State Warranty that covers the insufficiencies in the payment of the financial duties required of the Fund for interest and principal of the Series A3G Bonds.

The Fund, through its Fund Manager, may not defer the payment of Interest or Principal of the Bonds after the Legal Maturity Date, meaning the 15 July 2045 or the following 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 informational 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 one of the Bond Series in the event that the applicable margins were the mean margins of the range established for each Series in accordance with section 4.8.1.6 of this Prospectus Schedule (0.035% for Series A1, 0.125% for Series A2, 0.005% for Series A3G, 0.215% for Series B, 0.325% for Series C, 0.575% for Series D and 2.125% for Series E).

Date	EURIBOR 3 months	A1 Bonds	A2 Bonds	A3G Bonds	B Bonds	C Bonds	D Bonds	E Bonds
13/12/2004	2.170%	2.205%	2.295%	2.175%	2.385%	2.495%	2.745%	4.295%
11/03/2005	2.140%	2.175%	2.265%	2.145%	2.355%	2.465%	2.715%	4.265%
13/06/2005	2.110%	2.145%	2.235%	2.115%	2.325%	2.435%	2.685%	4.235%
13/09/2005	2.140%	2.175%	2.265%	2.145%	2.355%	2.465%	2.715%	4.265%
13/12/2005	2.450%	2.485%	2.575%	2.455%	2.665%	2.775%	3.025%	4.575%
09/03/2006	2.700%	2.735%	2.825%	2.705%	2.915%	3.025%	3.275%	4.825%
15/06/2006	2.960%	2.995%	3.085%	2.965%	3.175%	3.285%	3.535%	5.085%

15/09/2006	3.335%	3.370%	3.460%	3.340%	3.550%	3.660%	3.910%	5.460%
20/10/2006	3.521%	3.556%	3.646%	3.526%	3.736%	3.846%	4.096%	5.646%

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:

- 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 maturity of the Bonds of all Series will occur on the date on which they are all totally amortized or on the Legal Maturity date of the Fund, this being the 15 July 2045 or the following Business Day without prejudice to the Company according to section 4.4.3 of the Register Document, proceeding to the amortization of the issue of Bonds prior to the Legal Maturity date of the Fund.

The last regular amortization date of the Loans pooled into the secured portfolio is 31 May 2041.

The amortization of the Bonds will occur on each Payment Date, this being the, 15 January, 15 April, 15 July and 15 October of each year (or when these are not business days, on the following Business Day), according to that established and subject to the Payment Priority Order included in section 3.4.6 of the Additional Model.

On the Settlement Payment Date of the Fund, the amortisation of the various Bond Classes and the reimbursement to the State of the amounts owed for executing the Warranty for amortisation of Series A3G shall occur by distribution of the Available Funds for Settlement through the Payment Priority Order of Settlement provided for in section 3.4.6 of the Supplemental Addendum.

The Fund Manager shall proceed to notify the Bondholders of each Series of the Outstanding Balance of Principal of each Series, as well as the actual prepayment rate of the loans and the estimated average residual maturity of the Bonds of each Series.

4.9.3 Specific characteristics for the amortisation of each of the Bond Series.

4.9.3.1 Amortisation of the Series A1 and A2 Bonds.

Amortization of the principal of the Series A1 and A2 Bonds shall be made through partial amortizations on each of the payment dates as from the start of the amortization thereof until the total nominal amount is paid. Said payments shall be for the amount of Available Funds for Amortization applied on each Payment Date to the amortization of Series D, in accordance with the distribution rules for Available Funds for Amortization included in the following sections 4.9.4.4 and 4.9.4.5 following, which shall be distributed pro-rata among the corresponding Bonds (A1 or A2) through the reduction of the nominal value of each Bond of the said Series.

The first partial amortization of the Bonds of Series A1 and A2 shall take place on the first Payment Date (15 January 2007).

The final amortization of the Series A1 and A2 Bonds will be on the Legal Maturity Date (15 July 2045) or if this day is not a Business Day, on the next Business Day), without prejudice to the partial amortizations provided for and without prejudice to the fact that the Fund Manager, representing and on behalf of the Fund and in accordance with the provisions set forth in the preceding section 4.9.2, proceeds with the early amortization of the Bond Issue prior to the Legal Maturity Date.

4.9.3.2 Amortisation of the Series A3G Bonds.

Amortisation of the Series A3G Bonds shall be made through partial amortisation on each of the payment dates as from the start of the amortisation thereof until the total nominal amount is paid. Said payments shall be for the amount of Available Funds for Amortisation applied on each Payment Date to the amortisation of Series A3G, in accordance with the distribution rules governing Available Funds for Amortisation included in the following sections 4.9.4.4 and 4.9.4.5, which shall be distributed pro-rata among the Bonds of Series A3G itself through the reduction of the nominal value of each Bond of Series A3G.

The first partial amortisation of the Bonds of Series A3G shall take place once the Bonds of Series A1 and A2 have been fully amortised. Nevertheless, even though Series A1 and A2 may not have been fully amortised, in the event that the circumstances of Pro-rated Amortisation of Class A occurred, the Bonds of Series A3G shall be amortised pro-rata with the Bonds of Series A1 and A2, all in accordance with the Distribution Rules of the Available Funds for Amortisation.

The final amortization of the Series B Bonds will be on the Legal Maturity Date (15 July 2045) or if this day were not a Business Day, on the next Business Day), without prejudice to the partial amortizations provided for and without prejudice to the fact that the Fund Manager, representing and on behalf of the Fund and in accordance with the provisions set forth in the preceding section 4.9.2, proceeds with the early amortization of the Bond Issue prior to the Legal Maturity Date.

4.9.3.3 Amortisation of the Series B Bonds.

Amortisation of the principal of the Series B Bonds shall be made through partial amortisation on each of the payment dates as from the start of the amortisation thereof until the total nominal amount is paid. Said payments shall be for the amount of Available Funds for Amortisation applied on each Payment Date to the amortisation of Series B, in accordance with the distribution rules governing Available Funds for Amortisation included in the following sections 4.9.4.4 and 4.9.4.5, which shall be distributed pro-rata among the Bonds of Series B itself through the reduction of the nominal value of each Bond of Series B.

The first partial amortisation of the Bonds of Series B shall take place once the Bonds of Class A (Series A1, A2 and A3G) have been amortised. Nevertheless, even though Class A may not have been fully amortized (Series A1, A2 and A3G), the Funds Available for Amortization shall also be applied to amortization of Series B on the Payment Date in which the Conditions for Pro-rata Amortization are met in accordance with the Distribution Rules of the Available Funds for Amortization, such that the relationship between the Outstanding Balance of Principal of Series B and the Outstanding Balance of Principal of the Bond Issue is maintained at 5.02% or the nearest possible superior percentage.

The final amortization of the Series B Bonds will be on the Legal Maturity Date (15 July 2045) or if this day were not a Business Day, on the next Business Day), without prejudice to the partial amortizations provided for and without prejudice to the fact that the Fund Manager, representing and on behalf of the Fund and in accordance with the provisions set forth in the preceding section 4.9.2, proceeds with the early amortization of the Bond Issue prior to the Legal Maturity Date.

4.9.3.4 Amortisation of the Series C Bonds.

Amortisation of the principal of the Series C Bonds shall be made through partial amortisation on each of the payment dates as from the start of the amortisation thereof until the total nominal amount is paid. Said payments shall be for the amount of Available Funds for Amortisation applied on each Payment Date to the amortisation of the Series C, in accordance with the distribution rules for Available Funds for Amortisation included in the following sections 4.9.4.4 and 4.9.4.5, which shall be distributed pro-rata among the Bonds of Series B itself through the reduction of the nominal value of each Bond of Series B.

The first partial amortisation of the Bonds of Series C shall take place once the Bonds of Class A (Series A1, A2 and A3G) and the Bonds of Series B have been amortised. Nevertheless, even though Class A (Series A1, A2 and A3G) and the Bonds of Series B may not have been amortised, the Available Funds for Amortisation shall also be applied to amortisation of Series C on the Payment Date in which the Conditions for Pro-rata Amortisation are met in accordance with the Distribution Rules of the Available Funds for Amortisation, such that the relationship between the Outstanding Balance of

Principal of Series C and the Outstanding Balance of Principal of the Bond Issue is maintained at 4.98%

The final amortization of the Series C Bonds will be on the Legal Maturity Date (15 July 2045) or if this day were not a Business Day, on the next Business Day), without prejudice to the partial amortizations provided for and without prejudice to the fact that the Fund Manager, representing and on behalf of the Fund and in accordance with the provisions set forth in the preceding section 4.9.2, proceeds with the early amortization of the Bond Issue prior to the Legal Maturity Date.

4.9.3.5 Amortisation of the Series D Bonds.

Amortisation of the principal of the Series D Bonds shall be made through partial amortisation on each of the payment dates as from the start of the amortisation thereof until the total nominal amount is paid. Said payments shall be for the amount of Available Funds for Amortisation applied on each Payment Date to the amortisation of Series D, in accordance with the distribution rules for Available Funds for Amortisation included in the following sections 4.9.4.4 and 4.9.4.5, which shall be distributed pro-rata among the Bonds of Series D itself through the reduction of the nominal value of each Bond of Series D.

The first partial amortisation of the Series D bonds shall take place once the Bonds of Class A (Series A1, A2 and A3G), the Bonds of Series B and the Bonds of Series C have been paid in their totality. Nevertheless, even though Class A (Series A1, A2 and A3G), the Bonds of Series B and the Bonds of Series C may not have been fully amortised, the Available Funds for Amortisation shall also be applied to amortisation of Series D on the Payment Date in which the Conditions for Pro-rata Amortisation are met in accordance with the Distribution Rules of the Available Funds for Amortisation, such that the relationship between the Outstanding Balance of Principal of Series D and the Outstanding Balance of Principal of the Bond Issue is maintained at 6%.

The final amortization of the Series D Bonds will be on the Legal Maturity Date (15 July 2045) or if this day were not a Business Day, on the next Business Day), without prejudice to the partial amortizations provided for and without prejudice to the fact that the Fund Manager, representing and on behalf of the Fund and in accordance with the provisions set forth in the

preceding section 4.9.2, proceeds with the early amortization of the Bond Issue prior to the Legal Maturity Date.

4.9.3.6 Amortisation of the Series E Bonds.

Amortisation of the principal of the Series E Bonds shall be made through partial amortisation on each of the payment dates as from the start of the amortisation thereof until the total nominal amount is paid. Said payments shall be for the amount of Available Funds for Amortisation applied on each Payment Date to the amortisation of Series E, in accordance with the distribution rules for Available Funds for Amortisation included in the following sections 4.9.4.4 and 4.9.4.5, which shall be distributed pro-rata among the Bonds of Series E itself through the reduction of the nominal value of each Bond of Series E.

The first partial amortization of the Series D bonds shall take place once the Bonds of Class A (Series A1, A2 and A3G), the Bonds of Series B and the Bonds of Series C have been paid in their totality. Nevertheless, even though Class A (Series A1, A2 and A3G), the Bonds of Series B and the Bonds of Series C may not have been fully amortized, the Available Funds for Amortization shall also be applied to amortization of Series D on the Payment Date in which the Conditions for Pro-rata Amortization are met in accordance with the Distribution Rules of the Available Funds for Amortization, such that the relationship between the Outstanding Balance of Principal of Series D and the Outstanding Balance of Principal of the Bond Issue is maintained at 6% or the nearest superior percentage.

The final amortization of the Series E Bonds will be on the Legal Maturity Date (15 July 2045) or if this day were not a Business Day, on the next Business Day), without prejudice to the partial amortizations provided for and without prejudice to the fact that the Fund Manager, representing and on behalf of the Fund and in accordance with the provisions set forth in the preceding section 4.9.2, proceeds with the early amortization of the Bond Issue prior to the Legal Maturity Date.

4.9.4 Partial Amortisation of the Bonds of each Series.

Regardless of the Legal Maturity Date, and without prejudice to the early amortisation of the Bond Issue in the event of Early Settlement of the Fund, the fund shall proceed to make partial amortisation of the Bonds of each

Series. It shall do so through the Fund Manager and on the Payment Dates in accordance with the specific amortisation conditions for each one of the Series A1, A2, A3G, B, C, D and E, in accordance with sections 4.9.2 and 4.9.3 of this Prospectus Schedule and with the terms set forth below in this section that are common to the five Classes.

4.9.4.1. Outstanding Balance of the Principal of the Bonds

The outstanding balance of the Bonds (henceforth the “***Outstanding Principle Balance***”) on determined date will be the nominal outstanding balance repayment of the said Series of Bonds

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

4.9.4.2 Outstanding Balance of the Loans

The outstanding balance of the loans (hereinafter, the “***Outstanding Balance of the Loans***”) on any given date shall be the sum of the pending capital or principal of the specific loans on that date and the capital or principal pending and not deposited into the Fund.

The outstanding balance of the non-defaulted loans (hereinafter, the “***Outstanding Balance of the Non-defaulted Loans***”) on any given date shall be the sum of the pending capital or principal and the capital or principal due and not deposited into the Fund of each one of the Non-defaulted Loans on a determined date.

Defaulted loans (hereinafter, “***Defaulted Loans***”) shall be considered to be those for which (a) the Debtor may have been declared to be in a situation of insolvency; (b) they are in arrears on a date for a period of more than eighteen (18) months delay in the payment of the overdue amounts; or (c) they may be classified as in default by the Fund Manager because there is reasonable doubt about their full repayment.

4.9.4.3 Determination Dates and Determination Periods.

“**Determination Dates**” shall be those corresponding to the third (3rd) Business Day prior to the Payment Dates on which the Fund Manager, on behalf of the fund, shall make the necessary calculations in order to distribute

or retain the Available Funds and the Available Funds for Amortisation that the fund will have available on each corresponding Payment Date, in accordance with the Payment Priority Order. The first Determination Date shall be 10 January 2007.

The “**Determination Periods**” shall be each of the periods between two Determination Dates, including the former and excluding the latter. Exceptionally,

- (i) the first Determination Period will have a duration equal to the number of days elapsed between the day of formation of the Fund, inclusive, and the first Determination Date, on 10 January 2007 exclusive and
- (ii) the last Determination Period shall have a duration equal to the days elapsed a) until the Legal Maturity Date or the date when the Early Settlement of the Fund occurs, in accordance with the provisions in section 4.4.3 of the Registration document, in which it may have proceeded to liquidate the Loans and the remaining assets in the Fund and to distribute all Available Funds for Settlement following the Settlement Payment Priority Order of the Fund; b) as from the Determination Date prior to the Payment Date preceding the date cited in a).

4.9.4.4 Retention for Amortisation, Available Funds for Amortisation and Amortisation Deficit on each Payment Date.

The amount assigned as a whole to amortisation of the Bonds and repayment to the State of the amounts that may have been satisfied for amortisation of the principal of Series A3G shall be retained (“**Retention for Amortisation**”) on each Payment Date, charged to the Available Funds and in the ninth (9) order in the priority order, in an amount equal to the positive difference existing between (i) the Outstanding Balance of Principal of the Bond Issue (increased by the amount pending repayment to the State for executions of the State Warranty for amortisation of Series A3G) and (ii) the Outstanding Balance of Principal of the Non-defaulted Loans.

Depending on the liquidity existing on each Payment Date, the amount of the Available Funds for Amortisation (the “**Available Funds for Amortisation**”) effectively applied to Retention shall be applied according to the Distribution

rules of the Available Funds for Amortisation that are established in the following section 4.9.4.5.

Moreover, and not integrated in the Available Funds for Amortization, the funds shall make available – allocated solely to amortization of the principle of Series A3G – the amount drawn down due to execution of the State Warranty which was credited to it as from the Payment Date prior to the corresponding Payment Date.

The amortisation deficit (the “**Amortisation Deficit**”) on a Payment Date shall be the positive difference, should it exist, between (i) the Retention for Amortisation and (ii) of the Available Funds for Amortisation.

4.9.4.5. Distribution of the Funds Available for Amortisation.

The Available Funds for Amortisation shall be applied on each Payment Date to the amortisation of each one of the Series in accordance with the following rules (“**Distribution of the Available Funds for Amortisation**”):

1. The Available Funds for Amortisation shall be applied sequentially, (i) first to amortisation of Class A (Series A1, A2 and A3G) and to repayment of the amounts owed to the State for executions of the State Warranty for amortisation of Series A3G until the full amortisation and repayment thereof; (ii) second to amortisation of Series B until the full amortisation thereof; (iii) third to amortisation of Series C until the full amortisation thereof; (iv) fourth to amortisation of Series D until the full amortisation thereof; and (v) fifth to amortisation of Series E until the full amortisation thereof, without prejudice to the provisions set forth in the following rules 2, 3 and 4 for pro-rata amortisation of the different Series and Classes.
2. The Available Funds for Amortisation applied to amortisation of Class A (Series A1, A2 and A3G) and to repayment of the amounts due to the state for executing the State Warranty for amortisation of Series A3G, by virtue of both the preceding rule 1 and the following rules 3 and 4, shall be applied as follows:

2.1. Ordinary application in the following order:

- 1°. Amortisation of the principal of the Series A1 and A2 Bonds. As long as the total amortisation of Series A1 does not occur, 90% of the Available Funds for Amortisation shall be applied to amortisation of Series A1 and the remaining 10% to amortisation of Series A2. Once Series A1 has been completely amortised, 100% of the Available Funds for Amortisation shall be allocated to Amortising Series A2.
- 2°. Once the Bonds of Series A1 and A2 have been fully amortised, amortisation of the principal of the Bonds of Series A3G and repayment to the State of the amounts that it had satisfied to the Fund for draw-down of the Warranty for redemption of the principal of the Series A3G Bonds.

The amount of the Available Funds for Amortisation applied on a Payment Date to both concepts (amortisation of the principal of the Series A3G Bonds and repayment of the amounts owed to the State as a result of executing the Warranty for amortisation of the A3G Series) shall be applied as follows:

- (i) In the event that there is an Amortisation Deficit on the current Payment Date, first to amortisation of Series A3G and second, for any remaining amount, to repayment of the amounts owed to the State as a result of executing the State Warranty for amortisation of Series A3G.
 - (ii) Conversely, first to repayment of the amounts owed to the State as a result of executing the State Warranty for amortisation of Series A3G, and second, by any remaining amount, to amortisation of Series A3G.
- 2.2. Exceptional pro-rata application of Class A (“**Pro-rata Amortisation of Class A**”): If total amortisation of Series A1, A2 and A3G had not occurred, 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 that were up-to-date in payment of the amounts due plus the Outstanding Balance of the Loans that were in default by less than ninety (90) days (hereinafter, and as a whole, the “**Non-**

doubtful Loans”), increased by the amount of the income received for repayment of the loans over the last three (3) calendar months prior to the Payment, and (ii) the Outstanding Balance of Principal of Class A, increased by the balance of the amounts owed to the State for executing the State Warranty for amortisation of the A3G Series, is less than or equal to 1.

In this event, on the corresponding Payment Date, the Available Funds for Amortisation applied to amortisation of Class A (Series A1, A2 and A3G) and to repayment of the amounts owed to the State for executing the State Warranty for execution of Series A3G, shall be distributed among said concepts of the preceding section 2.1 as follows:

- a) It shall be allocated pro-rata directly proportional (i) to the Outstanding Balance of Principal of Series A1 and A2 and (ii) to the Outstanding Balance of Principal of Series A3G, with the balance increased by the balance of the amounts owed to the State for executions of the State Warranty for amortisation of Series A3G.
 - b) The amount assigned to the Bonds of Series A3G and to the amounts owed due to executing the State Warranty for amortisation of Series A3G, in accordance with point (ii) of the preceding section a), shall be applied to amortisation of the Bonds of Series A3G and to repayment to the State of said owed amounts, in accordance with the provisions set forth in order 2 of the preceding section 2.1.
3. Nevertheless, and even if Class A had not been amortised (Series A1, A2 and A3G) in its entirety, the Available Funds for Amortisation shall also be applied to amortisation of Series B, of Series C, of Series D and of Series E, on the Payment Date which is not the last Payment Date or the Settlement Date of the Fund and on which the following circumstances are met (“**Conditions for Pro-rata Amortisation**”):
- a) In order to proceed with amortisation of Series B, Series C, Series D and Series E:

- i) The Pro Rata Amortisation of Class A was not applicable, and as set forth in the preceding point 2.2;
 - ii) that on the previous Payment Date, the amount of the allocated Reserve Fund were equal to the “Minimum Level of the Reserve Fund” on that Payment Date; and
 - iii) On the Determination Date prior to the corresponding Payment Date, the amount of the Outstanding Balance of the Non-defaulted Loans were equal to or greater than 10 percent of the Initial Outstanding Balance upon formation of the Fund.
- b) In order to proceed with amortisation of Series B, on the Determination Date prior to the corresponding Payment Date:
- i) That the balance of the Series B Outstanding Principle, be equal to or more than 5,02% of the Principal Outstanding Balance of the Issue of Bonds, increasing the balance according to the amounts owed to the State for State Warranties for the amortization of the A3G Series, and
 - ii) That the Outstanding Balance of Doubtful Loans does not exceed 1.5% of the Outstanding Balance of the Non-Defaulted Loans.
- c) In order to proceed with amortisation of Series C, on the Determination Date prior to the corresponding Payment Date:
- i) That the balance of the Series C Outstanding Principle, be equal to or more than 4.98% of the Principal Outstanding Balance of the Issue of Bonds, increasing the balance according to the amounts owed to the State for State Warranties for the amortization of the A3G Series, and
 - ii) That the Outstanding Balance of Doubtful Loans does not exceed 1.25% of the Outstanding Balance of the Non-doubtful Loans.
- d) In order to proceed with amortisation of Series D, on the Determination Date prior to the corresponding Payment Date:

- i) That the balance of the Series D Outstanding Principle, be equal to or more than 6% of the Principal Outstanding Balance of the Issue of Bonds, increasing the balance according to the amounts owed to the State for State Warranties for the amortization of the A3G Series, and
 - ii) That the Outstanding Balance of Doubtful Loans does not exceed 1% of the Outstanding Balance of the Non-Defaulted Loans.
 - e) In order to proceed with amortisation of Series E, on the Determination Date prior to the corresponding Payment Date:
 - i) That the balance of the Series E Outstanding Principle, be equal to or more than 4% of the Principal Outstanding Balance of the Issue of Bonds, increasing the balance according to the amounts owed to the State for State Warranties for the amortization of the A3G Series, and
 - ii) That the Outstanding Balance of Doubtful Loans does not exceed 0.75% of the Outstanding Balance of the Non-Defaulted Loans.
- 4. In the event that the amortization of Series B, of Series C, of Series D and of Series E is applicable on a Payment Date, as provided for in the preceding rule 3, the Available Funds for Amortization shall also be applied to amortization of Series B and/or Series C and/or Series D and/or Series E, such that the Outstanding Balance of Principal of Series B and/or, if applicable, the Outstanding Balance of Principal of Series C and/or, if applicable, the Outstanding Balance of Principal of Series D and/or, if applicable, the Outstanding Balance of Principal of Series E in relation to the Outstanding Balance of Principal of the Bond Issue increased by the balance of the amounts owed to the State for the execution of State Warranty for the amortization of the A3G series are maintained, respectively, at 5.02%, 4.98%, 6% and 4% or the nearest possible superior percentages.

In the event that on the Determination Date prior to the corresponding Payment Date, and as long as it were applicable to the amortization of

Series B and, if applicable, Series C and, if applicable, Series D, and, if applicable, Series E, the Outstanding Balance of Principal of Series B, C, D or E with respect to the Outstanding Balance of the Principle of the Bonds were higher, respectively, than 5.02%, 4.98%, 6% or 4% (hereinafter, the “**objective ratios**”), the Available Funds for Amortization shall be applied first to amortization of the Series that were suitable for amortization and that showed the highest proportion between (a) the Outstanding Balance of the Principle of the said Series with respect to the Outstanding Balance of the Principal of the Bonds on the previous Determination Date, increased by the balance of the amounts owed to the State for Warranties for the amortization of the A3G Series and reduced in the Available Funds for Amortization on the current Payment Date and (b) its objective ratio, until reaching an equal proportion to the Series that presents the second, previously described proportion, at which time the Available Funds for Amortization shall be applied pro-rata between both Series, and so on.

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 amortisation system of each one of the Loans set forth in their corresponding contracts.
- ii) The capacity that the debtors have for early settlement of the Loans, whether partially or totally, and the speed with which this early settlement is made overall, throughout the life of the fund. In this respect, the early amortisation of the Loans made by the Debtors are very significant, subject to continuous changes and estimated in this Prospectus through the use of various hypotheses of behaviour of the future, early amortisation or constant prepayment rate (hereinafter “**CPR**”), which will have a direct influence on the speed of amortisation of the bonds and, therefore, on the average life and duration thereof.
- iii) The variable interest rates of the Loans that cause a variation of the amount of the amortisation in each instalment.
- iv) The arrears of Debtors in payment of the Loan amounts.

In order to calculate the tables included in this section, the following hypotheses, which come from historical information provided by the Assignor, have been taken into account regarding the described factors:

- Interest Rates of the Loans: 4.46% of average weighted interest rate on 23 October, of the portfolio of selected loans that have been used for calculating the amortization amounts and interest of each one of the selected loans;
- Delinquency of Loan portfolio (over 90 days overdue, excluding defaults): 0.76% of Loan Balance, with 100% recoveries at 18 months from entry into delinquency;
- Defaults of the portfolio of loans that are considered uncollectible: 0.20% of Loan Balance.
- The prepayment rate of the loans stays constant throughout the life of the Bonds;
- The Disbursement Date of the Bonds is 15 November 2006;
- No Amortisation 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 amortisation, both according to the planned schedule and amortisation of an early nature. The real adjusted duration and the return or profitability of the Bonds will also depend on their variable interest rate.

The nominal interest rates of each Series assumed in the first Period and Interest Accrual are the following, result of Euribor at two months (3.428%) on 20 October 2006 and assuming that the applicable margins were those applied by the Fund Manager, where there is no agreement, as established in section 4.8.1.6 (0.035% for Series A1, 0.125% for Series A2, 0.005% for Series A3G, 0.215% for Series B, 0.325% for Series C, 0.575% for Series D and 2.125% for Series E).

2 month Euribor	A1 Bonds	A2 Bonds	A3G Bonds	B Bonds	C Bonds	D Bonds	E Bonds
Nominal Interest Rate	3,463%	3,553%	3,433%	3,643%	3,753%	4,003%	5,553%

For successive Interest Accrual Periods, the nominal interest rates for each Series of Bonds is assumed to be constant according to the following detail, result of Euribor at 3 months (3.521%) on 20 October 2006 and assuming that the applicable margins were those applied by the Fund Manager, where there is no agreement, as established in section 4.8.1.6 (0.035% for Series A1, 0.125% for Series A2, 0.005% for Series A3G, 0.215% for Series B, 0.325% for Series C, 0.575% for Series D and 2.125% for Series E).

3 month Euribor	A1 Bonds	A2 Bonds	A3G Bonds	B Bonds	C Bonds	D Bonds	E Bonds
Nominal Interest Rate	3,556%	3,646%	3,526%	3,736%	3,846%	4,096%	5,646%

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

GC FTPYME PASTOR 4,F.T.A				
SCENARIO		5% CPR	10% CPR	15% CPR
Series A1	Average life (years)	1,04	0,97	0,90
	IRR	3,639%	3,639%	3,639%
	Term	1,0233	0,9492	0,8836
Series A2	Average life (years)	4,10	3,61	3,23
	IRR	3,744%	3,744%	3,744%
	Term	3,7683	3,3534	3,0274
Series A3G	Average life (years)	8,39	7,14	6,16
	IRR	3,621%	3,621%	3,621%
	Term	7,2835	6,3361	5,5576
Series B	Average life (years)	5,74	5,02	4,46
	IRR	3,905%	3,905%	3,905%
	Term	5,1441	4,5660	4,1051
Series C	Average life (years)	5,74	5,02	4,46
	IRR	4,021%	4,021%	4,021%
	Term	5,1239	4,5504	4,0926
Series D	Average life (years)	5,74	5,02	4,46
	IRR	4,218%	4,218%	4,218%
	Term	5,0766	4,5126	4,0613
Series E	Average life (years)	5,74	5,02	4,46
	IRR	5,849%	5,849%	5,849%
	Term	4,8567	4,3429	3,9266
Early Settlement Date of the Fund		15/04/2015	15/01/2014	15/01/2013
Maturity (years)		8,42	7,17	6,17

These rates have been considered according to the experience of the Assignor in these types of Loans

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):

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

where:

- D**= Duration of each Bond class, expressed in years.

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

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

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

I = Effective annual interest rate (IRR), expressed as an integer value.

n = 1,.....,n. Number of quarters (Payment Dates) in which the amounts, V_{An}, will 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 5.00%, 10.00% and 15.00%, respectively, throughout the life of the Bond Issue and the actual prepayment.
- The Net 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 amortisation, the delinquency and the degree of defaults experienced by the Loans.
- 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 Amortisation of the Bond Issue, when the Outstanding Balance of the Non-defaulted Loans is less than 10% of the Initial Outstanding Balance when the fund was constituted.
- In this scenario, the Pro-Rata Amortization of Class A does not become operable, and the Conditions for Pro-Rata Amortization of Series B, C, D and E do.

FLows OF EACH BOND WITHOUT RETENTION OF THE BONDHOLDER ESR = 5% (in euros)

15/11/06	Series "A1"			Series "A2"			Series "A3G"			Series "B"			Series "C"			Series "D"			Series "E"		
Date Payment	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total
15/01/07	6,612	587	7,199	744	602	1,346	0	582	582	0	617	617	0	636	636	0	678	678	0	941	941
15/04/07	18,363	830	19,193	2,067	905	2,972	0	882	882	0	633	633	0	652	652	0	1,024	1,024	0	1,412	1,412
15/07/07	20,323	674	20,998	2,288	896	3,184	0	891	891	0	934	934	0	962	962	0	1,035	1,035	0	1,427	1,427
15/10/07	10,814	497	11,311	1,218	884	2,102	0	901	901	0	944	944	0	972	972	0	1,047	1,047	0	1,443	1,443
15/01/08	9,203	399	9,602	1,036	873	1,909	0	901	901	0	955	955	0	983	983	0	1,047	1,047	0	1,443	1,443
15/04/08	8,685	312	8,997	978	854	1,832	0	891	891	0	955	955	0	983	983	0	1,035	1,035	0	1,427	1,427
15/07/08	10,232	234	10,466	1,152	845	1,997	0	891	891	0	944	944	0	972	972	0	1,035	1,035	0	1,427	1,427
15/10/08	7,656	143	7,800	862	843	1,705	0	901	901	0	944	944	0	972	972	0	1,047	1,047	0	1,443	1,443
15/01/09	8,111	74	8,184	1,210	835	2,045	0	901	901	0	955	955	0	983	983	0	1,047	1,047	0	1,443	1,443
15/04/09	0	0	0	9,567	806	10,373	0	882	882	0	955	955	0	983	983	0	1,024	1,024	0	1,412	1,412
15/07/09	0	0	0	6,892	727	7,619	0	891	891	0	934	934	0	962	962	0	1,035	1,035	0	1,427	1,427
15/10/09	0	0	0	5,443	671	6,114	0	901	901	5,281	944	6,226	5,438	972	6,410	5,359	1,047	6,406	5,359	1,443	6,802
15/01/10	0	0	0	5,331	620	5,951	0	901	901	5,511	955	6,465	5,502	983	6,484	5,506	991	6,497	5,506	1,366	6,872
15/04/10	0	0	0	4,731	558	5,289	0	882	882	5,449	904	6,353	5,440	929	6,369	5,444	913	6,357	5,444	1,258	6,702
15/07/10	0	0	0	5,044	521	5,564	0	891	891	4,947	833	5,780	4,939	856	5,795	4,943	867	5,809	4,943	1,194	6,137
15/10/10	0	0	0	4,432	479	4,912	0	901	901	5,101	791	5,892	5,093	813	5,906	5,097	824	5,921	5,097	1,136	6,233
15/01/11	0	0	0	4,373	438	4,811	0	901	901	4,634	752	5,386	4,626	773	5,400	4,630	771	5,401	4,630	1,063	5,693
15/04/11	0	0	0	3,908	389	4,297	0	882	882	4,492	704	5,195	4,484	723	5,208	4,488	707	5,195	4,488	974	5,462
15/07/11	0	0	0	3,912	357	4,269	0	891	891	4,085	645	4,730	4,078	663	4,741	4,081	668	4,749	4,081	921	5,002
15/10/11	0	0	0	3,338	324	3,663	0	901	901	4,006	610	4,616	4,000	627	4,627	4,003	633	4,636	4,003	872	4,875
15/01/12	0	0	0	3,324	293	3,617	0	901	901	3,523	578	4,100	3,517	594	4,111	3,520	591	4,111	3,520	814	4,334
15/04/12	0	0	0	3,137	259	3,396	0	891	891	3,414	539	3,954	3,409	554	3,963	3,411	548	3,959	3,411	755	4,167
15/07/12	0	0	0	3,114	231	3,344	0	891	891	3,240	500	3,740	3,235	514	3,749	3,237	513	3,750	3,237	707	3,944

FLows OF EACH BOND WITHOUT RETENTION OF THE BONDHOLDER ESR = 5% (in euros)

15/11/06	Series "A1"			Series "A2"			Series "A3G"			Series "B"			Series "C"			Series "D"			Series "E"		
Date Payment	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total
15/10/12	0	0	0	2,953	204	3,157	0	901	901	3,187	468	3,655	3,181	481	3,662	3,184	484	3,668	3,184	668	3,852
15/01/13	0	0	0	2,918	177	3,095	0	901	901	3,045	442	3,487	3,040	454	3,495	3,043	451	3,494	3,043	622	3,664
15/04/13	0	0	0	2,743	146	2,889	0	882	882	2,988	412	3,400	2,983	423	3,406	2,986	410	3,396	2,986	565	3,551
15/07/13	0	0	0	2,586	122	2,708	0	891	891	2,834	374	3,208	2,829	385	3,214	2,831	384	3,215	2,831	529	3,361
15/10/13	0	0	0	2,285	100	2,384	0	901	901	2,675	350	3,025	2,671	360	3,031	2,673	358	3,031	2,673	494	3,167
15/01/14	0	0	0	2,327	78	2,406	0	901	901	2,398	327	2,725	2,394	336	2,730	2,396	330	2,726	2,396	455	2,851
15/04/14	0	0	0	2,158	55	2,213	0	882	882	2,377	302	2,678	2,373	310	2,683	2,375	299	2,674	2,375	412	2,787
15/07/14	0	0	0	2,147	36	2,183	0	891	891	2,235	273	2,507	2,231	280	2,511	2,233	277	2,510	2,233	382	2,615
15/10/14	0	0	0	1,783	17	1,800	1,542	901	2,443	2,197	253	2,451	2,194	260	2,454	2,195	257	2,453	2,195	354	2,550
15/01/15	0	0	0	0	0	0	10,691	887	11,579	2,140	235	2,375	2,137	241	2,378	2,138	234	2,372	2,138	323	2,461
15/04/15	0	0	0	0	0	0	87,766	868	88,634	20,243	235	20,477	20,209	241	20,451	20,226	229	20,455	20,226	316	20,542
Total	100,000	3,750	103,750	100,000	15,145	115,145	100,000	30,055	130,055	100,000	22,198	122,198	100,000	22,834	122,834	100,000	23,840	123,840	100,000	32,868	132,868

FLOWS OF EACH BOND WITHOUT RETENTION OF THE BONDHOLDER ESR = 10% (in euros)

15/11/06	Series "A1"			Series "A2"			Series "A3G"			Series "B"			Series "C"			Series "D"			Series "E"		
Date Payment	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total
15/01/07	7,621	587	8,207	858	602	1,460	0	582	582	0	617	617	0	636	636	0	678	678	0	941	941
15/04/07	19,333	821	20,154	2,177	904	3,080	0	882	882	0	633	633	0	652	652	0	1,024	1,024	0	1,412	1,412
15/07/07	21,203	657	21,859	2,387	894	3,281	0	891	891	0	934	934	0	962	962	0	1,035	1,035	0	1,427	1,427
15/10/07	11,603	471	12,074	1,306	881	2,188	0	901	901	0	944	944	0	972	972	0	1,047	1,047	0	1,443	1,443
15/01/08	9,937	366	10,302	1,119	869	1,988	0	901	901	0	955	955	0	983	983	0	1,047	1,047	0	1,443	1,443
15/04/08	9,371	272	9,643	1,055	849	1,904	0	891	891	0	955	955	0	983	983	0	1,035	1,035	0	1,427	1,427
15/07/08	10,873	188	11,062	1,224	840	2,064	0	891	891	0	944	944	0	972	972	0	1,035	1,035	0	1,427	1,427
15/10/08	8,246	91	8,337	928	837	1,766	0	901	901	0	944	944	0	972	972	0	1,047	1,047	0	1,443	1,443
15/01/09	1,814	16	1,831	8,209	829	9,038	0	901	901	0	955	955	0	983	983	0	1,047	1,047	0	1,443	1,443
15/04/09	0	0	0	10,138	736	10,874	0	882	882	0	955	955	0	983	983	0	1,024	1,024	0	1,412	1,412
15/07/09	0	0	0	5,822	651	6,473	0	891	891	6,413	934	7,347	6,568	962	7,529	6,490	1,035	7,526	6,490	1,427	7,918
15/10/09	0	0	0	5,765	604	6,368	0	901	901	6,046	944	6,990	6,036	972	7,008	6,041	979	7,020	6,041	1,349	7,390
15/01/10	0	0	0	5,687	550	6,237	0	901	901	5,909	894	6,802	5,899	918	6,818	5,904	916	6,820	5,904	1,262	7,166

FLows OF EACH BOND WITHOUT RETENTION OF THE BONDHOLDER ESR = 10% (in euros)

15/11/06	Series "A1"			Series "A2"			Series "A3G"			Series "B"			Series "C"			Series "D"			Series "E"		
Date Payment	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total
15/04/10	0	0	0	5,061	486	5,547	0	882	882	5,819	836	6,654	5,809	859	6,668	5,814	835	6,649	5,814	1,151	6,965
15/07/10	0	0	0	5,349	445	5,794	0	891	891	5,290	762	6,052	5,281	784	6,064	5,285	784	6,069	5,285	1,081	6,366
15/10/10	0	0	0	4,712	400	5,112	0	901	901	5,419	716	6,135	5,410	736	6,146	5,414	738	6,152	5,414	1,017	6,431
15/01/11	0	0	0	4,630	356	4,986	0	901	901	4,926	673	5,599	4,918	692	5,610	4,922	681	5,603	4,922	939	5,860
15/04/11	0	0	0	4,144	306	4,450	0	882	882	4,760	622	5,382	4,752	639	5,391	4,756	616	5,372	4,756	849	5,605
15/07/11	0	0	0	4,128	271	4,400	0	891	891	4,331	562	4,893	4,323	578	4,901	4,327	573	4,900	4,327	790	5,117
15/10/11	0	0	0	3,535	236	3,771	0	901	901	4,232	523	4,755	4,225	538	4,763	4,228	534	4,763	4,228	737	4,965
15/01/12	0	0	0	3,504	203	3,707	0	901	901	3,728	488	4,216	3,722	501	4,224	3,725	490	4,216	3,725	676	4,401
15/04/12	0	0	0	3,300	168	3,469	0	891	891	3,602	447	4,050	3,596	460	4,056	3,599	446	4,046	3,599	615	4,214
15/07/12	0	0	0	3,262	138	3,400	0	891	891	3,411	407	3,818	3,406	419	3,824	3,408	409	3,817	3,408	564	3,972
15/10/12	0	0	0	3,086	109	3,195	0	901	901	3,342	373	3,715	3,336	384	3,720	3,339	378	3,717	3,339	521	3,860
15/01/13	0	0	0	3,037	80	3,117	0	901	901	3,185	345	3,529	3,179	354	3,534	3,182	343	3,525	3,182	472	3,654
15/04/13	0	0	0	2,848	51	2,898	0	882	882	3,113	313	3,426	3,108	322	3,429	3,110	303	3,413	3,110	417	3,527
15/07/13	0	0	0	2,677	25	2,702	0	891	891	2,944	276	3,220	2,939	284	3,223	2,942	274	3,216	2,942	378	3,319
15/10/13	0	0	0	50	0	50	11,780	901	12,681	2,772	250	3,022	2,767	257	3,024	2,769	246	3,015	2,769	339	3,109
15/01/14	0	0	0	0	0	0	88,220	795	89,015	20,760	225	20,985	20,726	231	20,957	20,743	217	20,960	20,743	299	21,042
Total	100,000	3,470	103,470	100,000	13,319	113,319	100,000	25,520	125,520	100,000	19,427	119,427	100,000	19,985	119,985	100,000	20,816	120,816	100,000	28,699	128,699

FLOWS OF EACH BOND WITHOUT RETENTION OF THE BONDHOLDER ESR = 15% (in euros)

15/11/06	Series "A1"			Series "A2"			Series "A3G"			Series "B"			Series "C"			Series "D"			Series "E"		
Date Payment	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total
15/01/07	8,682	587	9,269	977	602	1,579	0	582	582	0	617	617	0	636	636	0	678	678	0	941	941
15/04/07	20,344	812	21,156	2,290	903	3,193	0	882	882	0	633	633	0	652	652	0	1,024	1,024	0	1,412	1,412
15/07/07	22,109	638	22,747	2,489	892	3,381	0	891	891	0	934	934	0	962	962	0	1,035	1,035	0	1,427	1,427
15/10/07	12,406	444	12,850	1,397	878	2,275	0	901	901	0	944	944	0	972	972	0	1,047	1,047	0	1,443	1,443
15/01/08	10,674	331	11,005	1,202	865	2,067	0	901	901	0	955	955	0	983	983	0	1,047	1,047	0	1,443	1,443
15/04/08	10,051	232	10,283	1,132	845	1,976	0	891	891	0	955	955	0	983	983	0	1,035	1,035	0	1,427	1,427
15/07/08	11,501	141	11,642	1,295	834	2,129	0	891	891	0	944	944	0	972	972	0	1,035	1,035	0	1,427	1,427
15/10/08	4,233	38	4,272	5,633	831	6,464	0	901	901	0	944	944	0	972	972	0	1,047	1,047	0	1,443	1,443
15/01/09	0	0	0	10,634	779	11,413	0	901	901	0	955	955	0	983	983	0	1,047	1,047	0	1,443	1,443
15/04/09	0	0	0	9,547	665	10,212	0	882	882	4,495	955	5,450	4,653	983	5,636	4,574	1,024	5,598	4,574	1,412	5,985
15/07/09	0	0	0	5,758	584	6,343	0	891	891	8,699	934	9,633	8,685	962	9,646	8,692	988	9,680	8,692	1,362	10,054
15/10/09	0	0	0	6,105	537	6,642	0	901	901	6,434	902	7,336	6,424	927	7,351	6,429	908	7,337	6,429	1,251	7,680
15/01/10	0	0	0	5,996	480	6,476	0	901	901	6,264	829	7,093	6,254	852	7,105	6,259	841	7,099	6,259	1,159	7,417
15/04/10	0	0	0	5,338	415	5,753	0	882	882	6,141	767	6,908	6,131	789	6,919	6,136	758	6,894	6,136	1,045	7,181
15/07/10	0	0	0	5,599	371	5,969	0	891	891	5,580	692	6,272	5,571	711	6,282	5,575	703	6,279	5,575	969	6,545
15/10/10	0	0	0	4,934	322	5,256	0	901	901	5,680	642	6,322	5,671	660	6,331	5,676	653	6,328	5,676	899	6,575
15/01/11	0	0	0	4,826	277	5,103	0	901	901	5,158	596	5,754	5,150	612	5,762	5,154	593	5,747	5,154	818	5,972

FLOWS OF EACH BOND WITHOUT RETENTION OF THE BONDHOLDER ESR = 15% (in euros)

15/11/06	Series "A1"			Series "A2"			Series "A3G"			Series "B"			Series "C"			Series "D"			Series "E"		
Date Payment	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total	Amort. Prin.	Gross Int.	Total
15/04/11	0	0	0	4,316	227	4,542	0	882	882	4,966	541	5,508	4,958	556	5,515	4,962	527	5,490	4,962	727	5,689
15/07/11	0	0	0	4,278	189	4,467	0	891	891	4,512	481	4,993	4,504	495	4,999	4,508	482	4,990	4,508	664	5,172
15/10/11	0	0	0	3,663	151	3,815	0	901	901	4,390	440	4,830	4,383	452	4,835	4,387	440	4,827	4,387	607	4,993
15/01/12	0	0	0	3,614	117	3,731	0	901	901	3,865	402	4,266	3,858	413	4,271	3,862	394	4,256	3,862	543	4,405
15/04/12	0	0	0	3,392	83	3,475	0	891	891	3,719	360	4,079	3,713	370	4,083	3,716	350	4,066	3,716	482	4,198
15/07/12	0	0	0	3,337	51	3,389	0	891	891	3,509	319	3,829	3,504	328	3,832	3,507	311	3,818	3,507	429	3,936
15/10/12	0	0	0	2,249	21	2,270	4,563	901	5,465	3,423	284	3,707	3,417	292	3,709	3,420	278	3,698	3,420	383	3,803
15/01/13	0	0	0	0	0	0	95,437	860	96,296	23,164	254	23,418	23,126	261	23,387	23,145	242	23,387	23,145	334	23,479
Total	100,000	3,224	103,224	100,000	11,919	111,919	100,000	22,010	122,010	100,000	17,280	117,280	100,000	17,776	117,776	100,000	18,488	118,488	100,000	25,490	125,490

4.11 REPRESENTATION OF THE SECURITIES HOLDERS

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 is the responsibility of the Fund Manager, as the manager of third party businesses, 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 19 September 2006, agreed:

- i) The formation of GC FTPYME PASTOR 4, FTA in accordance with the legal regime established by Royal Decree 926/1998; by Act 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 the Loans assigned by Banco Pastor, S.A., which are derived from the Mortgage Loans and Non-mortgage Loans granted by Banco Pastor, S.A. to small and medium, non-financial enterprises residing in Spain.
- iii) The issue of the bonds against the fund.

Loan Assignment resolution:

The Board of Directors of Banco Pastor, S.A., in its meeting held on 27.04.06, resolved to authorise the assignment of the Mortgage Loans through the issue of Mortgage Transfer Certificates and the assignment of Non-mortgage Loans for the pooling thereof 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 on the formation of the Fund and issue of the Bonds was filed with the Official Registers of the CNMV on 7 November 2006.

c) Agreements Relative to the Granting of the State Warranty.

According to that envisaged in the second section of the Order of 28 December 2001, dated 17 October 2006, the Fund Manager subscribed to the Collaboration Agreement with the Ministry of Industry, Tourism and Commerce in order to constitute the Fund to promote business financing.

Also, according to that envisaged in the third section of the Order of 28 December 2001, Banco Pastor, S.A. has subscribed, on 17 October 2006, to the Collaboration framework agreement with the Ministry of Industry, Tourism and Commerce to determine the loans susceptible to assignment to the Fund.

The Ministry of Economy and Finance, by Ministerial Order, shall execute a Warranty for the Fund before the formation thereof, whereby the Spanish State will secure, with a waiver of the benefit of excussion established in Article 1830 of the Civil Code, the payment of the financial duties enforceable against the Fund derived from the Bonds of Series A3G for a nominal amount of fifty million four hundred thousand (50,400,000) euros.

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

Once the register is effected by the CNMV of this pamphlet, the Managing Company along with Banco Pastor, S.A., as the Assigning Entity of the loans, will proceed to grant on 10 November 2006 the public constitutional writings of GC FTPYME PASTOR 4 ASSET SECURITIZATION FUND in virtue of the Agreement with the Fund Manager, on 19 September 2006 and the Agreement with the Banco Pastor, S.A. Board of Directors dated 27 April 2006, in the terms envisaged 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 regulations contained in this Prospectus.

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

4.13 ISSUE DATE OF THE SECURITIES

The effective date of Issue of the Bonds shall be 15 November 2006

4.13.1. Collective of potential investors.

The brokerage 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 AIAF Market, the Bonds may be freely acquired through said market in accordance with its own contracting 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 will commence on 14 November 2006, the Business Day prior to the Disbursement Date, at 10:00 AM in the morning, and it shall end on the same day at 1:00 PM in the afternoon.

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, same day value, before 10:15 AM.

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

The Disbursement Date shall be 15 November 2006.

4.14 RESTRICTIONS ON THE FREE TRANSFERABILITY OF THE SECURITIES

The Bonds may be freely transferred through any manner lawfully permitted and in accordance with the norms of the AIAF Market. 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 ON THE ADMISSION TO TRADING AND NEGOTIATION

5.1. MARKET IN WHICH THE SECURITIES WILL BE TRADED

The Fund Manager shall, immediately on the Disbursement Date, request the admission of the issue to trading on the AIAF Fixed Income Market, an organised secondary official securities market created by the Asociación de Intermediarios de Activos Financieros (*Association of Financial Assets Brokers*). The Fund Manager undertakes to have concluded the recording of the issue on the AIAF Market within the term of thirty days as from the Disbursement Date once the corresponding authorisations are obtained.

The Fund Manager expressly states that it is aware of the requirements and conditions demanded for the admission, permanence and exclusion of the securities in the AIAF Market, according to current legislation and the requirements of its governing bodies, and the Fund, through its Fund Manager, agrees to comply with them.

In the event of a breach within the aforementioned admission to trading period of the Bonds, the Fund Manager hereby undertakes to publish the opportune Relevant Fact at the CNMV and in the Official Gazette of the AIAF Market 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 IBERCLEAR 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 AIAF Market and represented by book entries, are set forth or may be approved in the future by IBERCLEAR.

There are no plans to contract an entity that would undertake to facilitate the liquidity of the Bonds during the life of the Issue.

5.2 PAYMENT AGENT AND DEPOSITARY ENTITIES

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

Any entities that participate in Iberclear may be Depositary Entities.

The financial servicing of the Bond issue shall be carried out through Banco Pastor, 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 Pastor, 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 11:00 AM (CET) on the Disbursement Date, it shall pay into the Fund, by means of a deposit into the Amortisation 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 Pastor, S.A. on its own behalf, if applicable, up to the limit of its underwriting commitment.
- (ii) On the Disbursement Date it shall pay to each one of the Underwriting and Brokerage Entities their underwriting and brokerage commissions after they

have paid the principal amount of the Bonds placed or subscribed, if applicable, 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 principal and 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 Series 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 Agencies and to the Assignor.

In the event that the unsubordinated and unsecured short-term debt of the Payment Agent underwent, at any time during the lifetime of the Bond Issue, a decrease in its ratings to below P-1 or A-1, according to the ratings scales of Moody's and S&P,

respectively, the Fund Manager, within a maximum term of thirty (30) days as from the time when such circumstances occur, shall revoke the designation of the Payment Agent, thereby proceeding to designate another entity with a minimum credit rating of P-1 and A-1 for its unsubordinated and unsecured short-term debt, according to the ratings scales of Moody's and S&P, respectively, who will substitute it before terminating the Payment Agency Contract or, if applicable, by virtue of a new payment agency contract, and subject to prior communication to the Rating Agencies.

If Banco Pastor, 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 Pastor, S.A. under this contract, except in the case of a voluntary resignation, in which case the replacement may not involve a higher cost to the Fund.

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 Pastor, S.A. and with a short-term credit rating at least equal to P1 in the case of Moody's, and A-1 in the case of S&P, or another one explicitly recognised by the Rating Agencies, accepted by the Fund Manager, replaces Banco Pastor, 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 Rating 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 replaced Payment Agent.

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 (AIAF, IBERCLEAR) 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: Will be 14 January, 14 April, 14 July, 14 October of each year, or the Business Day immediately following where these are not so.

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:

Initial Expenses	Euros
CNMV Fees – Prospectus Registration	39.033,00
CNMV Fees – Supervision of Admission to AIAF	9.000,00
AIAF and IBERCLEAR fees	56.260,00
Notary fees, auditor fees, rating fees, legal advice fees, fund manager commissions, report expenses, translation, printing and miscellaneous.	425.207,00
Subtotal	529.500,00
Underwriting Commissions	220.500,00
GENERAL TOTAL	750.000,00

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 AND WHO ARE MENTIONED IN THE PROSPECTUS SCHEDULE

Garrigues 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. The financial design of the operation was made by Banco Pastor, S.A.; CALYON, Branch Office in Spain; and GestiCaixa S.G.F.T., S.A.

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

Not applicable.

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

Deloitte 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.

Among its duties to verify the information contained in this Prospectus, the Fund Manager has received confirmation about the veracity of the characteristics of Banco Pastor, S.A. as the Assignor, of the Loans, of the Mortgage Transfer Certificates and of the Mortgage Loans included in section 2.2.8 of the Supplemental Addendum.

In the Deed of Formation of the Fund, Banco Pastor, S.A. will reiterate to the Fund Manager the compliance with said characteristics on the Fund formation date.

The Fund Manager confirms that the information coming from Banco Pastor, S.A. about the Loans and Mortgage Loans has been reproduced accurately and that no fact has been omitted that would make the reproduced information inaccurate or deceptive, to the extent that the Fund Manager has knowledge of the same and that it can be determined based on the information provided by Banco Pastor, S.A.

7.5. SOLVENCY RATING ASSIGNED TO THE SECURITIES BY THE RATING 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 Loans, have agreed to request ratings for each one of the Classes of Bonds from Moody's Investors Service España, S.A. (hereinafter, "**Moody's**") and from Standard & Poor's, S.A. (hereinafter, "**S&P**", and jointly with Moody's, the "**Rating Agencies**"), in accordance with 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, both of which are assigned on 3 November 2006.

Series	Moody's	S&P
Series A1	Aaa	AAA
Series A2	Aaa	AAA
Series A3G	Aaa	AAA
Series B	Aa2	AA
Series C	A2	A
Series D	Baa3	BBB
Series E	Ba3	BB

The Aaa and AAA ratings of the A3G Series are original before the State Warranty.

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 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.

Moody's qualifications measure the loss expected before 15 July 2045. In the opinion of Moody's, the structure allows for prompt payment of interest and payment of the principal throughout the life of the operation, and in any event before the Statutory Maturity Date of the Fund.

The ratings assigned to each one of the Series of Bonds by S&P measure the capacity of the Fund to comply in a timely manner with the payments of interest on each planned Payment Date and reimbursement of the principal throughout the life of the operation, and in any event before the Statutory Maturity Date.

The ratings by Moody's and S&P 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 early settlement 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.

Moody's

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

Long term	Short term
Aaa	Prime-1
Aa	Prime-2
A	Prime-3
Baa	Not Prime
Ba	
B	
Caa	
Ca	
C	

Moody's apply numerical numerations 1 2 and 3, to each qualification category in the long term from Aa to Caa. Modifier 1 indicates values in the higher range of the rating category, modifier 2 indicates medium range and modifier 3 indicates values in the lower range of each generic category.

S&P

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

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

S&P may add a "+" or a "-" to a rating to indicate a relative position within the rating categories. However, they cannot be added to the long-term rating category "AAA", to categories lower than "CCC" or to short-term ratings other than A-1.

SUPPLEMENTAL ADDENDUM TO THE PROSPECTUS SCHEDULE
(Schedule VIII of (EC) Commission Regulation Number 809/2004 of 29 April 2004)

SUPPLEMENTAL ADDENDUM

Minimum Revelation Requirements for the Supplemental Addendum of Asset-Guaranteed Securities

1. SECURITIES

1.1 MINIMUM DENOMINATION OF THE ISSUE

“GC FTPYME PASTOR 4, 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 formed with the loans (as defined below) assigned to it by Banco Pastor, S.A. (hereinafter, “**Banco Pastor, S.A.**” or the “**Assignor**” interchangeably) at the time of formation, whose maximum total principal or capital will be equal to seven six hundred million (630,000,000) 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 borrowers or 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 class. Even so, under exceptional circumstances the credit-improving operations could turn out to be insufficient. The credit-enhancement operations are described in part 3.4.2, 3.4.3 and 3.4.4 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 Standard & Poor's España, S.A. (hereinafter "**S&P**") and Moody's Investors Services España, S.A. (hereinafter "**Moody's**" and, jointly with S&P, hereinafter the "**Rating Agencies**") to the Bonds in each one of the Series detailed in part 7.5. of the Prospectus Schedule.

Whenever: i) If, 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, in conjunction, prepayment of the Bond Issue under the terms set forth in part 4.4.3 of the Registration Document.

The provisions set forth in the preceding paragraphs are clearly stated by the Fund Manager based on the declarations made by the Assignor about the Loans likely to be assigned, which are included in Section 2.2.8 of the Supplemental Addendum, based on all the information provided by the Assignor about each Loan likely to be assigned, based on the audit report of the same and based on the appraisal that results from the provisional ratings given to the Bonds by the Rating Agencies.

2.2 ASSETS SUPPORTING THE BOND ISSUE

The loans pooled in the Fund's assets are derived from the loans selected from a portfolio of loans (hereinafter the "**Loans**") to small and medium Spanish enterprises and business owners (hereinafter the "**Debtors**"), granted by the Assignor under the terms established in the Order of 28 December 2001 on Promotional Agreements on Asset Securitisation Funds to foster business financing, modified by Order ECO/1064/2003 of 29 April (hereinafter the "**Order of 28 December 2001**"), at least 98% of which are granted to small and medium enterprises that comply with the European Commission Recommendation 2003/361/EC of 6 May 2003 on the definition of small and medium enterprises (hereinafter "**SMEs**" or "**SME**" in the singular), the characteristics of which are described throughout this Supplemental Addendum.

The portfolio of selected Loans from which the loans to be assigned to the Fund on the Formation Date will be taken are formed by 6,136 Loans, with an outstanding principal amount as of 23 October 2006 amounting to 657.351.163,79 euros and a due and unpaid principal amount of 962,740,17 euros.

Audit of the Loans Securitised in the Fund

The Loans have been audited by Deloitte S.L., which has its registered offices at Plaza Pablo Ruiz Picasso, num.1, 28020 Madrid, Spain, which holds of C.I.F. (Spanish Tax ID Number) B-79104469, and which is registered in the Companies Registry of Madrid, Volume 13,650, Folio 188, Section 8, Page M-54414. It is also registered in the R.O.A.C. under number S0692, in order to comply with the provisions set forth in 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 which allow a conclusion to be reached about said population by analysing 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: nature of the loan and of the assigned debtor, identification of the assigned debtor, PYME accreditation, transfer of the assets, initial amount, PYME, transfer of the assets and initial amount accreditation date, formalization date, maturity date, initial amortization period, balance, reference interest rate, differential, interest rate applied, delay in payments, assignor has full title to the loans, situation of bankruptcy, type of guarantee, maximum risk conceded to a single borrower not including loans conceded to building promoters for the construction or refurbishment of residential properties for sale. In addition, the following attributed have been verified for mortgage loans: execution and registration of the mortgage loan, address of mortgaged property, valuation assessment and ratio of outstanding principle to the appraised value.

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

2.2.1 Legislation governing the securitised assets.

The securitised 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 Loans are small and medium Spanish enterprises and business owners, at least 96% of which comply with European Commission Recommendation 2003/361/EC of 6 May 2003 on the definition of small and medium enterprises (hereinafter, “*SMEs*” or “*SME*” in the singular).

a) 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 loans according to the CNAE codes of the debtor companies’ activities.

Loan Portfolio on 23.10.06 Classification by Industry				
CNAE	Loans		Outstanding Principal	
	Number	%	Euros	%
01-Agriculture, livestock and game	131	2.13%	7,456,014.41	1.13%
02-Forestry management and timber farming	15	0.24%	993,297.67	0.15%
05-Fishing and aquaculture	43	0.71%	1,614,829.84	0.25%
14-Mining of non-metallic minerals	26	0.42%	6,630,006.82	1.01%
15-Food and beverage industry	79	1.27%	6,857,417.85	1.04%
17-Manufacturing of textiles and textile products	24	0.40%	1,879,236.81	0.29%
18-Garment and fur industry	18	0.29%	783,045.32	0.12%
19-Preparation and finishing of leather	5	0.08%	408,793.74	0.06%
20-Wood and cork industry	61	0.99%	8,057,417.29	1.23%
21-Paper industry	7	0.11%	905,098.87	0.14%
22-Publication, graphic arts and reproduction	54	0.88%	6,571,330.97	1.00%
24-Chemical industry	31	0.51%	6,703,451.32	1.02%
25-Manufacture of rubber and plastic products	28	0.46%	5,872,814.96	0.89%
26-Manufacture of other mineral products	47	0.75%	7,751,749.31	1.18%
27-Metallurgy	22	0.35%	2,683,882.30	0.41%
28-Manufacture of metal products	80	1.28%	12,452,489.70	1.89%
29-Machinery construction industry	1,867	30.58%	132,862,171.14	20.21%
31-Machinery and electrical material manufacturing	10	0.16%	706,891.23	0.09%
33-Manufacture of equipment and instruments	7	0.11%	611,548.60	0.09%

Loan Portfolio on 23.10.06				
Classification by Industry				
CNAE	Loans		Outstanding Principal	
	Number	%	Euros	%
34-Manufacture of motor vehicles	3	0.05%	1,260,289.96	0.19%
35-Manufacture of other transport material	8	0.13%	2,088,290.94	0.32%
36-Manufacture of furniture	35	0.56%	3,872,779.76	0.59%
37-Recycling	7	0.11%	502,529.83	0.08%
40-Energy production and distribution	12	0.13%	1,692,289.75	0.26%
41-Water intake, purification and distribution	1	0.02%	10,800.00	0.00%
45-Construction	493	7.95%	57,849,222.77	8.80%
50-Sales, maintenance and repair of vehicles	140	2.28%	9,884,639.00	1.50%
51-Wholesale trade	334	5.46%	35,623,208.93	5.42%
52-Retail trade	592	9.65%	42,015,401.13	6.39%
55-Hostelry	369	5.96%	44,646,918.30	6.79%
60-Land transport; pipeline transport	448	7.30%	21,293,973.57	3.24%
62-Air and space transport	1	0.02%	82,925.37	0.01%
63-Activities connected to transport	45	0.74%	3,133,611.36	0.48%
64-Postal services and telecommunications	6	0.13%	488,443.97	0.07%
66-Insurance and pension schemes	1	0.02%	9,658.30	0.00%
67-Ancillary brokerage services	14	0.22%	453,635.29	0.07%
70-Real estate activities	414	6.81%	168,615,663.67	25.65%
71-Machinery and equipment rentals	69	1.11%	7,464,043.94	1.14%
72-IT activities	40	0.67%	2,514,813.90	0.38%
73-Research and development	2	0.03%	225,086.41	0.03%
74-Other business activities	222	3.58%	19,352,434.02	2.94%
80-Education	34	0.55%	2,546,622.42	0.39%
85-Medical and veterinary activities	103	1.65%	7,575,946.01	1.15%
90-Activities in public sanitation	3	0.05%	438,005.15	0.07%
92-Recreational, cultural and sporting activities	80	1.30%	5,882,609.65	0.89%
93-Various activities in personal services	105	1.78%	6,025,832.24	0.92%
Total	6,136	100.00%	657,351,163.79	100.00%

b) Information on the outstanding principal of the selected loans

The following table measures the distribution of the principle for loans to 23 October 2006 in the following intervals expressed in euros and medium, minimum and maximum values.

Loan Portfolio on 23.10.06					
Classified by Intervals of Outstanding Principal					
Interval of principal		Loans		Outstanding Principal	
		Number	%	Euros	%
0.00	49,999.99	3,756	61.21%	79,370,099.92	12.07%
50,000.00	99,999.99	987	16.09%	69,685,056.97	10.60%
100,000.00	149,999.99	444	7.24%	53,824,113.01	8.19%
150,000.00	199,999.99	266	4.34%	45,880,959.97	6.98%
200,000.00	249,999.99	168	2.74%	37,294,943.04	5.67%
250,000.00	299,999.99	88	1.43%	23,985,164.81	3.65%
300,000.00	349,999.99	80	1.30%	25,887,289.28	3.94%
350,000.00	399,999.99	53	0.86%	19,803,914.32	3.01%
400,000.00	449,999.99	37	0.60%	15,637,360.14	2.38%
450,000.00	499,999.99	39	0.64%	18,437,349.84	2.80%
500,000.00	549,999.99	25	0.41%	13,027,271.89	1.98%
550,000.00	599,999.99	19	0.31%	10,833,513.17	1.65%
600,000.00	649,999.99	15	0.24%	9,249,906.64	1.41%
650,000.00	699,999.99	11	0.18%	7,418,972.88	1.13%
700,000.00	749,999.99	8	0.13%	5,753,198.55	0.88%
750,000.00	799,999.99	8	0.13%	6,118,189.62	0.93%
800,000.00	849,999.99	9	0.15%	7,337,262.97	1.12%
850,000.00	899,999.99	10	0.16%	8,733,660.19	1.33%
900,000.00	949,999.99	9	0.15%	8,289,233.72	1.26%
950,000.00	999,999.99	6	0.10%	5,826,124.98	0.89%
1,000,000.00	1,049,999.99	10	0.16%	10,090,376.35	1.54%
1,050,000.00	1,099,999.99	2	0.03%	2,120,963.04	0.32%
1,100,000.00	1,149,999.99	2	0.03%	2,241,832.26	0.34%
1,150,000.00	1,199,999.99	5	0.08%	5,880,170.78	0.89%
1,200,000.00	1,249,999.99	6	0.10%	7,220,407.77	1.10%
1,250,000.00	1,299,999.99	7	0.11%	8,852,162.91	1.35%
1,300,000.00	1,349,999.99	2	0.03%	2,648,598.10	0.40%
1,350,000.00	1,399,999.99	3	0.05%	4,128,730.04	0.63%
1,400,000.00	1,449,999.99	2	0.03%	2,833,467.26	0.43%
1,450,000.00	1,499,999.99	4	0.07%	5,821,059.95	0.89%
1,500,000.00	1,549,999.99	9	0.15%	13,544,869.55	2.06%
1,650,000.00	1,699,999.99	3	0.05%	5,021,750.63	0.76%
1,700,000.00	1,749,999.99	1	0.02%	1,700,000.00	0.26%
1,750,000.00	1,799,999.99	2	0.03%	3,555,887.71	0.54%
1,800,000.00	1,849,999.99	4	0.07%	7,214,000.00	1.10%
1,900,000.00	1,949,999.99	2	0.03%	3,805,649.13	0.58%
2,000,000.00	2,049,999.99	5	0.08%	10,019,120.72	1.52%
2,050,000.00	2,099,999.99	1	0.02%	2,070,000.00	0.31%
2,150,000.00	2,199,999.99	2	0.03%	4,341,558.00	0.66%
2,250,000.00	2,299,999.99	2	0.03%	4,569,466.05	0.70%

Loan Portfolio on 23.10.06					
Classified by Intervals of Outstanding Principal					
Interval of principal		Loans		Outstanding Principal	
		Number	%	Euros	%
2,300,000.00	2,349,999.99	1	0.02%	2,300,000.00	0.35%
2,400,000.00	2,449,999.99	1	0.02%	2,400,000.00	0.37%
2,450,000.00	2,499,999.99	1	0.02%	2,471,045.31	0.38%
2,500,000.00	2,549,999.99	2	0.03%	5,030,683.18	0.77%
2,550,000.00	2,599,999.99	1	0.02%	2,556,580.67	0.39%
2,750,000.00	2,799,999.99	2	0.03%	5,502,339.45	0.84%
2,800,000.00	2,849,999.99	1	0.02%	2,825,000.00	0.43%
2,850,000.00	2,899,999.99	2	0.03%	5,709,537.03	0.87%
3,000,000.00	3,049,999.99	3	0.05%	9,059,844.48	1.38%
3,100,000.00	3,149,999.99	1	0.02%	3,130,000.00	0.48%
3,300,000.00	3,349,999.99	1	0.02%	3,324,597.20	0.51%
3,350,000.00	3,399,999.99	1	0.02%	3,398,817.00	0.52%
3,750,000.00	3,799,999.99	2	0.03%	7,552,000.00	1.15%
3,850,000.00	3,899,999.99	1	0.02%	3,895,000.00	0.59%
3,900,000.00	3,949,999.99	1	0.02%	3,900,000.00	0.59%
4,000,000.00	4,049,999.99	1	0.02%	4,000,000.00	0.61%
4,500,000.00	4,549,999.99	1	0.02%	4,500,000.00	0.68%
5,700,000.00	5,749,999.99	1	0.02%	5,722,063.31	0.87%
Total Portfolio		6,136	100.00%	657,351,163.79	100.00%
Minimum principal				50.00	
Maximum principal				5,722,063.31	
Average principal				107,130.24	

c) Information on the applicable nominal interest rates: maximum, minimum and average rates for the selected loans

The following table shows the distribution of the selected Loans in intervals of the applicable nominal interest rate expressed as a percentage on 23 October 2006 and medium , minimum and maximum values.

Loan Portfolio on 23.10.06					
Classification by Nominal Interest Rate					
Interval %	Interest Rate	Loans		Outstanding Principal	
		Number	%	Euros	%
2.5	2.99	20	0.33%	5,314,241.92	0.81%
3	3.49	219	3.57%	35,735,563.48	5.44%
3.5	3.99	713	11.62%	135,895,007.60	20.67%
4	4.49	1,117	18.20%	173,339,027.79	26.37%
4.5	4.99	1,170	19.07%	164,158,762.23	24.97%
5	5.49	893	14.55%	80,015,319.68	12.17%
5.5	5.99	866	14.11%	38,491,232.95	5.86%
6	6.49	400	6.52%	10,045,792.14	1.53%
6.5	6.99	285	4.64%	6,717,686.32	1.02%
7	7.49	215	3.50%	3,685,146.79	0.56%
7.5	7.99	184	3.00%	3,120,374.44	0.47%
8	8.49	28	0.46%	464,868.27	0.07%
8.5	8.99	23	0.37%	349,688.48	0.05%
9	9.49	1	0.02%	5,452.60	0.00%
9.5	9.99	2	0.03%	12,999.10	0.00%
Total Portfolio		6,136	100.00%	657,351,163.79	100,00%
Minimum rate				2.50%	
Maximum rate				9.50%	
Weighted average rate				4.46%	

d) Information on the maximum interest rates applicable to the selected loans

For part of the selected loans, a maximum nominal interest rate limits the variability of the applicable interest rate in an upward direction. Maximum nominal interest rates applicable to loans selected on 23 October 2006 are situated within a range of 8.75% and 12.50%.

The following table shows the distribution of the loans at intervals of 0.50% of the maximum applicable interest rate for determining the nominal interest rate of the loans.

Loan Portfolio on 23.10.06					
Classification by Applicable Maximum Rates					
Interval %	interest rate	Loans		Outstanding Principal	
		Number	%	Amount (euros)	%
No					
Loans maximum		5,325	86.78%	573,803,180.45	87.29%
8.5	8.99	1	0.02%	20,331.62	0.00%
9	9.49	2	0.03%	97,976.32	0.01%
9.5	9.99	615	10.02%	46,056,437.15	7.01%
10	10.49	18	0.29%	344,965.22	0.05%
10.5	10.99	6	0.10%	437,442.03	0.07%
11	11.49	1	0.02%	11,606.01	0.00%
11.5	11.99	154	2.51%	33,817,879.59	5.14%
12	12.49	1	0.02%	78,641.01	0.01%
12.5	12.99	13	0.21%	2,682,704.39	0.41%
Total Portfolio		6,136	100.00%	657,351,163.79	100.00%

e) Information on the minimum interest rates applicable to the selected loans

For part of the selected loans, a minimum nominal interest rate limits the variability of the applicable interest rate in a downward direction. Maximum nominal interest rates applicable to loans selected on 23 October 2006 are situated within a range of 2.25% and 7.50%.

The following table shows the distribution of the loans at intervals of 0.50% of the maximum applicable interest rate for determining the nominal interest rate of the loans.

Loan Portfolio on 23.10.06					
Classification by Applicable Minimum Interest Rates					
Interval %	Interest rate	Loans		Outstanding Principal	
		Number	%	Amount (euros)	%
Loans	no minimum	2,990	48.73%	186,571,135.97	28.38%
2	2.49	2	0.03%	394,175.46	0.06%
2.5	2.99	33	0.54%	11,454,658.98	1.74%
3	3.49	278	4.53%	92,555,388.83	14.08%
3.5	3.99	685	11.16%	156,826,585.47	23.86%
4	4.49	694	11.31%	117,987,278.63	17.95%
4.5	4.99	591	9.63%	54,873,454.58	8.35%
5	5.49	387	6.31%	17,138,702.46	2.61%
5.5	5.99	412	6.71%	17,687,264.36	2.69%
6	6.49	49	0.80%	1,460,447.17	0.22%
6.5	6.99	12	0.20%	307,171.63	0.05%
7	7.49	2	0.03%	46,791.28	0.01%
7.5	7.99	1	0.02%	48,108.97	0.01%
Total Portfolio		6.136	100,00%	657.351.163.79	100.00%

f) Information on geographic distribution by Autonomous Community

The following chart shows the distribution of the loans by Autonomous Community, according to the Autonomous Communities where the debtor companies are domiciled.

Loan Portfolio on 23.10.06				
Classification by Self-Governing Region				
Self-governing region	Loans		Outstanding Principal	
	Number	%	Euros	%
ANDALUSIA	365	5.95%	62,076,163.10	9.44%
ARAGON	176	2.87%	21,622,236.18	3.29%
BALEARIC ISLANDS	8	0.13%	1,470,604.28	0.22%
CANARY ISLANDS	77	1.25%	11,446,282.68	1.74%
CANTABRIA	61	0.99%	3,513,064.63	0.53%
CASTILLA Y LEON	392	6.39%	31,229,290.13	4.75%
CASTILLA-MANCHA	89	1.45%	7,113,623.22	1.08%
CATALONIA	613	9.99%	92,928,595.97	14.14%
REGION OF MADRID	600	9.78%	76,869,554.94	11.69%
REGION OF NAVARRE	21	0.34%	5,632,846.74	0.86%
REGION OF VALENCIA	367	5.98%	55,743,271.06	8.48%
EXTREMADURA	19	0.31%	4,656,148.52	0.71%
GALICIA	2,737	44.61%	204,603,578.16	31.13%
LA RIOJA	9	0.15%	1,094,010.51	0.17%
BASQUE COUNTRY	155	2.53%	20,605,669.79	3.13%
REGION OF ASTURIAS	309	5.04%	21,964,138.24	3.34%
REGION OF MURCIA	138	2.25%	34,782,085.64	5.29%
Total Portfolio	6,136	100.00%	657,351,163.79	100.00%

g) Table showing the ten debtors with the most weight in the portfolio

The following table shows the concentration of the ten debtors with the most weight in the portfolio of loans selected on 23 October 2006.

Loan Portfolio on 23.10.06				
Classification by Debtor				
	Loans		Outstanding Principal	
	Number	%	Euros	%
Debtor 1	2	0.03%	5,958,558.00	0.91%
Debtor 2	1	0.02%	5,722,063.31	0.87%
Debtor 3	3	0.05%	4,948,778.80	0.75%
Debtor 4	1	0.02%	4,500,000.00	0.68%
Debtor 5	2	0.03%	4,284,970.93	0.65%
Debtor 6	1	0.02%	4,000,000.00	0.61%
Debtor 7	1	0.02%	3,900,000.00	0.59%
Debtor 8	1	0.02%	3,895,000.00	0.59%
Debtor 9	1	0.02%	3,785,000.00	0.58%
Debtor 10	1	0.02%	3,398,817.00	0.52%
Rest	6,122	99.77%	612,957,975.75	93.25%
Total	6,136	100.00%	657,351,163.79	100.00%

h) Distribution by Reference Interest Rate

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

Portfolio on 23.10.06				
Classification by reference index of the interest rate				
Reference Index	Loans		Outstanding Principal	
	Number	%	Amount	%
EURIBOR	3,783	61.65%	517,623,347.65	78.74%
MIBOR	651	10.61%	51,195,353.55	7.79%
I.R.M.H.	8	0.13%	727,857.43	0.11%
FIXED RATE	1,694	27.61%	87,804,605.16	13.36%
Total Portfolio	6,136	100.00%	657,351,163.79	100.00%

i) Distribution by Formalisation Date of the Loans

The following table shows the distribution of the Loans in accordance with the date of formalisation (hereinafter the "**Date of Formalisation**").

Loan Portfolio on 23.10.06					
Classification by date of loan formalisation					
Interval of	Date	Loans		Outstanding Principal (euros)	
		Number	%		%
01/01/2000	30/06/2000	56	0,91%	1,867,726.98	0.28%
01/07/2000	31/12/2000	46	0,75%	1,931,586.68	0.29%
01/01/2001	30/06/2001	86	1,40%	3,129,552.27	0.48%
01/07/2001	31/12/2001	108	1,76%	4,761,802.59	0.72%
01/01/2002	30/06/2002	120	1,96%	4,785,838.77	0.73%
01/07/2002	31/12/2002	165	2,69%	7,454,813.17	1.13%
01/01/2003	30/06/2003	280	4,56%	10,739,347.07	1.63%
01/07/2003	31/12/2003	281	4,58%	13,551,276.58	2.06%
01/01/2004	30/06/2004	477	7,77%	20,996,182.01	3.19%
01/07/2004	31/12/2004	410	6,68%	27,647,204.67	4.21%
01/01/2005	30/06/2005	859	14,00%	76,854,621.15	11.69%
01/07/2005	31/12/2005	1.551	25,28%	213,554,377.34	32.49%
01/01/2006	30/06/2006	1.697	27,66%	270,076,834.51	41.09%
Total Portfolio		6,136	100.00%	657,351,163,79	100.00%
Weighted average age				1.23 years	
Maximum age				11/01/2000	
Minimum age				31/05/2006	

j) Distribution by Date of Final Amortisation

The following table shows the distribution of the Loans according to their date of final amortisation.

Loan Portfolio on 23.10.06				
Classification by Final Amortisation Date				
Date Date	Loans		Outstanding Principal	
	Number	%	Euros	%
2007	454	7.40%	99,956,817.54	15.21%
2008	604	9.84%	40,287,493.19	6.13%
2009	758	12.35%	30,132,375.14	4.58%
2010	930	15.16%	41,796,247.56	6.36%
2011	896	14.60%	55,125,227.37	8.39%
2012	464	7.56%	28,221,800.61	4.29%
2013	465	7.58%	49,610,164.31	7.55%
2014	178	2.90%	16,032,696.29	2.44%
2015	230	3.75%	38,719,464.98	5.89%
2016	170	2.77%	24,236,584.03	3.69%
2017	154	2.51%	29,048,341.95	4.42%
2018	97	1.58%	23,851,860.10	3.63%
2019	97	1.58%	20,168,424.28	3.07%
2020	274	4.47%	62,675,768.61	9.53%
2021	127	2.07%	37,759,685.66	5.74%
2022	23	0.37%	3,863,878.24	0.59%
2023	27	0.44%	6,744,418.97	1.03%
2024	16	0.26%	2,330,339.99	0.35%
2025	68	1.11%	16,532,002.23	2.51%
2026	34	0.55%	12,733,700.66	1.94%
2027	3	0.05%	514,999.56	0.08%
2028	1	0.02%	55,907.69	0.01%
2029	3	0.05%	75,924.44	0.01%
2030	29	0.47%	5,956,269.09	0.91%
2031	13	0.21%	3,372,615.43	0.51%
2032	1	0.02%	120,000.00	0.02%
2033	3	0.05%	1,007,437.19	0.15%
2034	1	0.02%	47,964.93	0.01%
2035	4	0.07%	1,759,824.65	0.27%
2036	8	0.13%	2,438,113.80	0.37%
2037	1	0.02%	294,000.00	0.04%
2040	2	0.03%	1,856,915.40	0.28%
2041	1	0.02%	23,899.90	0.00%
Total	6.136	100.00%	657,351,163.79	100.00%
	Minimum maturity date		02/01/2007	0.19 years
	Maximum maturity date		31/05/2041	34.60 years
	Weighted average maturity		15/10/2014	8.09 years

k) Distribution by guarantee type

The selected loans can be classified according to their additional securities in:

- (i) Mortgage Loans: loans secured with a real estate mortgage, formally executed in a public instrument, which can additionally incorporate personal, third-party guaranties.
- (ii) Non-Mortgage Loans:
 - a) Loans secured exclusively with personal, third-party guaranties (security or collateral), formally executed in a public document.
 - b) Loans with other tangible securities, formally executed in a public document, which can additionally incorporate personal, third-party guaranties.
 - c) Loans without a special guaranty, formally executed in a public document, or in some cases a private document.

The following table shows the breakdown of the selected loans based on the additional securities to the loans.

Loan Portfolio on 23.10.06				
Classification by Type of Guarantee				
Type of Guarantee	Loans		Outstanding Principal	
	Num.	%	Euros	%
Mortgage	1,699	27.69%	368,032,165.94	55.99%
Real Guarantees	27	0.44%	7,370,319.42	1.12%
Monetary Deposits	106	1.73%	14,132,567.53	2.15%
Personal Guarantees	4,302	70.11%	267,258,403.62	40.66%
Other Guarantees	2	0.03%	557,707.28	0.08%
Total Portfolio	6,136	100.00%	657,351,163.79	100.00%

- l) **Indication of the existence of late payments of the principal or interest on the Loans and, if so, amount of the current principal of the loans more than 30, 45, 60 and 90 days in arrears.**

The following table shows the number of Loans, the outstanding principal, and the due and unpaid principal of the selected loans as of 23 October 2006 with some delay in the payment of the due and payable amounts.

Loan Portfolio on 23 October 2006						
Late Payment of Instalments Due						
Day Interval	Loans		Unpaid Principal Due		Outstanding Principal Not Due	
	Num.	%	Euros	%	Euros	%
Up to date with payment	5,430	88.49%	0.00	0.00%	600,950,655.90	91.42%
Less than 30 days	461	7.51%	432,157.44	44.89%	36,693,148.09	5.58%
Between 30 and 45 days	13	0,21%	12.555,90	1,30%	641.360,83	0,10%
Between 45 and 60 days	149	2,43%	370.984,32	38,53%	14.662.453,69	2,23%
Between 60 and 90 days	83	1.35%	147,042.51	15.27%	4,403,545.28	0.67%
More than 90 days	0	0.00%	0.00	0.00%	0.00	0.00%
Total Portfolio	6,136	100.00%	962,740.17	100.00%	657,351,163.79	100.00%

That on the Fund Formation Date, none of the Loans shall be in default by more than forty five (45) days, but the amount of the Loans with arrears of more than 30 days shall not exceed 5% of the Bond Issue amount.

2.2.3 Legal nature of the assets

The selected loans can be classified according to their additional securities in:

- (i) Loans secured with a real estate mortgage guaranty, formally executed in a public instrument (the “**Mortgage Loans**”), which can additionally incorporate personal, third-party guaranties.

The Mortgage Loans have been formally executed in a public instrument subject to the Mortgage Act of 8 February 1946; Act 2/1981 of 25 March, regulating the mortgage market; and complementary provisions.

The Mortgage Loans shall be assigned to the Fund through the issue by Banco Pastor, S.A. and the subscription by the Fund of Mortgage Transfer Certificates subject to the Provisions set forth by Act 2/1981 and by the fifth additional provision of Act 3/1994 in the draft given by

Article 18 of Act 44/2002, in accordance with the terms provided for in section 3.3 of this Supplemental Addendum.

- (ii) Loans secured exclusively by personal, third-party guarantees (deposit or collateral), loans with a tangible security other than a real estate mortgage and loans without a special guaranty, formally executed in a public document that jointly involves enforcement (Article 517 of the Civil Procedures Act), and in some cases in a private document (the “**Non-Mortgage Loans**”).

The different tangible securities that some Non-Mortgage Loans have are recorded according to the different nature of the pledged asset, in accordance with the following details:

- a) The pledges of term deposits and fixed-term deposits are recorded in the corresponding deposit entity thereof.
- b) Pledges of shareholdings in investment funds and other, similar products are recorded in the management companies of collective investment undertakings or in the corresponding deposit entities of said shareholdings which, in the event that they are represented by book entries, may be either a credit entity or an investment services firm or Iberclear through its participating entities.
- c) The pledges of stocks and/or shareholdings shall be recorded in accordance with the nature thereof, and in the event of stocks, differently according to their mode of representation:
 - i. Pledges of corporate shareholdings of limited companies are recorded in the corresponding register book of shareholders of the limited company. The pledge of corporate shareholdings may likewise be recorded in the public instruments that accredit the ownership of such shareholdings.
 - ii. The pledges of stocks of limited liability companies represented by certificates are recorded on the corresponding certificate. Additionally, if the stocks are registered, the pledge is also recorded in the register book of shareholders of the limited liability company.

- iii. The pledges of stocks of limited liability companies represented by book entries are recorded in the deposit entities of said stocks, which may be either a credit entity or an investment services firm or Iberclear through its participating entities.
- d) The pledges of other negotiable securities (bonds, preferred shareholdings and promissory notes) represented by book entries are recorded at Iberclear through its participating entities.

Non-Mortgage Loans shall be assigned to the Fund directly by sale through Banco Pastor, S.A. and acquisition by the Fund, in accordance with the terms set forth in section 3.3 of this Supplemental Addendum.

The term “Loans” shall be used in this Supplemental Addendum and in the rest of the Prospectus to refer jointly to the Non-Mortgage Loans and to the Mortgage Loans or to the Mortgage Transfer Certificates that facilitate the assignment of the latter.

2.2.4 Maturity or expiration date or dates of the assets

Each one of the selected Loans has a due date, notwithstanding the periodical partial payments made pursuant to the special conditions of each loan.

At any given moment in the life of the loans, the debtors can repay part or all of the capital pending amortisation, halting the accrual of interest on the part repaid in advance from the time that repayment occurs.

The final maturity date of the selected loans is situated between 2 January 2007 and 31 May 2041. Consequently, the ultimate maturity date is 31 May 2041 which coincides with the Final Maturity Date of the Fund.

The preceding section 2.2.2.j) contains a table that shows the breakdown of the selected loans according to the due date of each loan.

2.2.5 Asset amount

The Fund’s assets will consist of Non-Mortgage Loans and the Mortgage Transfer Certificates assigned and issued, respectively, by Banco Pastor, S.A., and selected from among those comprising the audited portfolio, up to the amount that is equal to

or as close as possible, by default, to six hundred and thirty million (630,000,000) euros.

The portfolio of selected Loans from which the loans to be assigned to the Fund on the Formation Date will be taken are formed by 6,136 Loans, with an outstanding principal amount as of 23 October amounting to 657,351,163.79 euros and a due and unpaid principal amount of 962,740.17 euros.

For its assignment to the Fund in its constitution, Banco Pastor, S.A., will select from the selected loans those loans that are up to date with repayments or with delays of up to 45 days, but the value of Loans with payment delays of over 30 days will not be more than 5% of the amount of the Bond Issue, until a principle or total capital of at least six hundred and thirty million (630.000.000) euros or slightly less is reached.

Part 2.2.2.b) above contains a table that shows the breakdown of the selected loans based on the principal pending maturity of each one.

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

Selected loans with mortgage guarantee to 23 October 2006 are 1,699 with outstanding principle matured to the amount of 368.032.165,94 euros.

The ratio, expressed in terms of percentage, between the amount of the principle amortization capital on 23 October 2006 and the value buildings mortgage loans was between 0.04% and 520.38%, the average weight rated for the outstanding principle of each Mortgage Loan being 60.15%.

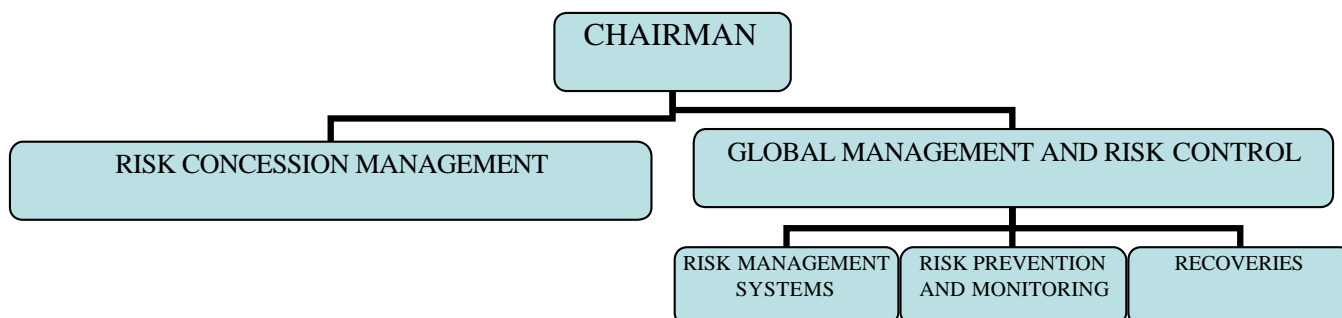
Loan Portfolio on 23.10.06					
Classification by Outstanding Principal/Appraisal Value ratio					
Interval	Loans		Outstanding Principal		
	Number	%	Euros	%	
0.00% - 9.99%	38	2.24%	4,229,384.01	1.15%	
10.00% - 19.99%	124	7.30%	6,775,067.25	1.84%	
20.00% - 29.99%	152	8.95%	16,917,107.08	4.60%	
30.00% - 39.99%	177	10.42%	20,506,748.53	5.57%	
40.00% - 49.99%	245	14.42%	50,964,883.04	13.85%	
50.00% - 59.99%	339	19.95%	73,837,999.27	20.06%	
60.00% - 69.99%	397	23.37%	103,491,530.92	28.12%	
70.00% - 79.99%	182	10.71%	70,114,348.77	19.05%	
80.00% - 89.99%	24	1.41%	9,556,650.73	2.60%	
90.00% - 99.99%	13	0.77%	4,986,618.26	1.35%	
>100%	8	0.47%	6,651,828.08	1.81%	
Total Portfolio	1,699	100.00%	368,032,165.94	100.00%	
	Weighted average		60.15%		
	Minimum		0.04%		
	Maximum		520.38%		

2.2.7 Asset Creation Method

The loans selected for assignment to the Fund have been assigned by Banco Pastor, S.A. following its usual procedures for credit risk analysis and assessment for granting loans to small and medium enterprises. The procedures used by Banco Pastor, S.A. are described below:

1. Introduction

Credit operations are approved through the risk system. The organisational structure of the Risk Division is shown below, with a description of the competencies of the various units that it comprises.



- Analysis, evaluation and/or approval of the risk operations that, in accordance with the current authorities, cannot be resolved by the corresponding business units.
- Support for the arrangement of Promotional Loan operations and control of partial provisions.
- Advising for Business units on risk analysis and evaluation aspects.

To perform its functions, it relies on the cooperation of the Management Systems Unit, with which it permanently communicates and coordinates and which provides it with the support, means and information that it may require at all times.

Overall risk management and control division

It has the following functions:

- Proposing, implementing and maintaining the Master Risk Plan of the Bank and Financial Group.
- Design and permanent maintenance of the necessary systems for operations management.
- Proposing to the Risk Division the policy of risk authorities by levels and product.
- Permanent evaluation of the models used for risk management and policies.
- Proposal, control and follow-up of the appropriate risk structures.
- Maintaining the risk rules, thereby assessing the risk levels of financial products and services.

The following units also report to the overall risk management and control division:

Risk Prevention and Follow-up

- Proposing and administering the risk follow-up policy of the Bank and Financial Group.
- Permanent analysis of the risk portfolio to anticipate strategies for customers with problems.
- Promoting the appropriate actions for standardising problematic operations.
- Development of early warning systems designed to emphasise the control function.

Recoveries

- Proposing and administering the recovery policy of the Bank and Financial Group.
- Analysis of arrears proposals, definition of recovery strategies and decision-making.
- Direct assumption of recovery management of the operations that it deems appropriate.
- Management of assets awarded in payment of debt (administrative processing and sale).
- Advising to business units on recovery and management of real estate assets.

The Risk Prevention and Follow-up function and the recovery thereof is the responsibility of the Regional Director. Regional Divisions have a specific manager for exercising these functions. The same occurs at each office.

The hierarchical superior body for resolving risk operations is the Risk Committee, which meets weekly and it consists of:

- The President of the Bank.
- The Chief Executive Officer of the Bank.
- The Commercial Director General.
- The Director of the Risk Assignment Unit.
- The Director of the Overall Risk Management and Control Unit.

The offices are responsible for initiating a risk file based on a customer application. From the Risk Assignment Division to the Offices, each deciding body has a table of authorities for resolving risk operations, which are individualised for each asset product. When an operation, added to the current risk for a customer or his business group, exceeds the authorities of a certain deciding body, it is transferred to the hierarchical superior body, and so on, until it reaches the body with the authority to make a decision.

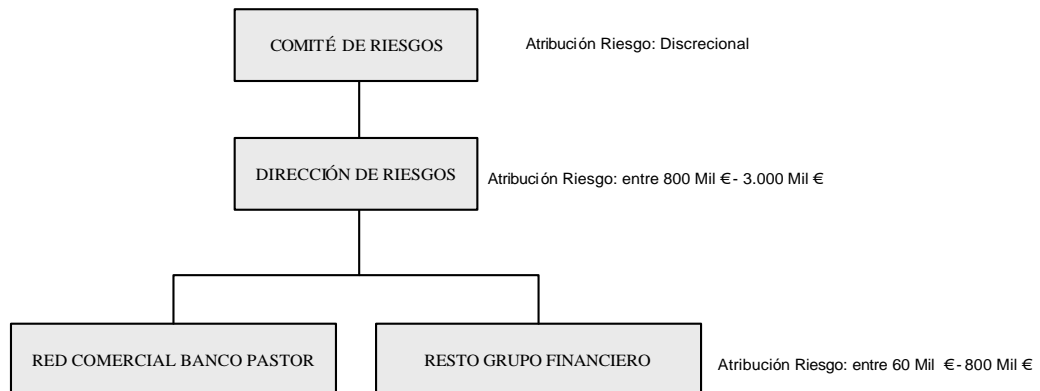
2. Assignment processes

The offices are responsible for initiating a risk study file based on a customer application. If the authority of the office for processing the file is sufficient, the branch itself is responsible for authorising the operation.

When an operation, together with the risk that a customer or his business group currently has, exceeds the authorities assigned to a certain deciding

body (office, regional division, etc.), said deciding body analyses the risk, issues its opinion and then transfers the proposal to the next, hierarchically superior deciding body, and so on until it reaches the body with the sufficient authority to make a decision.

Graphically, this is the organisational structure:



3. Methodology for analysing and granting loans

All information referring to any natural person or legal body exercised by any of the activities included in the CNAE, regardless of the size of the business (freelance; independent professionals; small, medium and large enterprises, etc.) come under the **Agreements and Proposals** system, which is especially designed to cover the entire range of necessary actions for studying a risk operation: as from the application until resolution, including the necessary intermediate information for the analysis thereof.

The Agreements and Proposals system consists of the following computer applications:

Balance Sheets / Land and Buildings:

It analyses the financial statements, thereby comparing them with those of previous financial years and automatically providing both the calculation of ratios and the rating thereof. It includes the essential data of the assets that the analysed person owns (description, property scheme, appraisal, registration verification, liens, etc.).

Business reports:

Reports about the person and on the business that the person operates. A questionnaire is used, which asks questions related to the portfolio of customers/suppliers, market, products and management, as well as the experience in their relationship as a customer and even information from external sources.

Business Groups Application:

It considers that in domain relationships between people (which can be both regarding corporate shareholdings and non-shareholdings), there is an automatic formation, modification or deletion of business groups. It provides additional information, broken down for each one of the members of the group.

Application of Guaranties:

It records the different security documents collected by the bank to cover the risks granted to our customers.

Application of Risk Files:

It coordinates the information coming from other applications. It automatically prepares the risk file for simple and quick access.

4. Risk control**4.1 Risk control system**

The most decisive action in risk control is selecting the credit during admission, whereby scoring and rating are the key pieces of the risk control system. Between May 2000 and September 2000, in cooperation with a consulting company, the evaluation system was developed based on a study of the company/business risk files recorded in Banco Pastor's database. The behaviours were studied to obtain algorithms prepared using logistic regression techniques, which automatically evaluate the following Firm Types:

Freelance: all natural persons with a business activity.

Micro-enterprises: legal bodies with sales of less than 750,000 euros, and moreover, the overall risk at Banco Pastor of the legal

body or group of firms to which it may belong does not exceed 1,000,000 euros.

Small and Medium Enterprises: legal bodies with sales between 750,000 and six million euros, or those that do not meet said parameter but the overall risk at Banco Pastor of the legal body or group of companies to which it belongs is greater than 1,000,000 euros.

Large Enterprises: legal bodies with sales exceeding six million euros, regardless of the risk volume at Banco Pastor.

4.2 Characteristics of the risk control system

4.2.1 Initial finding

The definition of arrears used for the system covers not only the risk files that have been in arrears but also the “undesirables”. For calculating the variables and preparing the finding, the System automatically takes the information that it needs from the Risk Files and from all other applications related to company information.

The finding is essentially statistical, although it does incorporate an expert judgement.

The level of efficiency obtained is very high, given that it is based on our history, which has made a very low level of automatic denials. Moreover, this band concentrates more than half of the undesired operations. More than half of the unwanted operations are concentrated in this area.

Once the evaluation is made, a finding is given, which classifies the operation as follows: grant, doubt, probable denial and denial.

- **Denial:** The authority to favourably approve these operations falls exclusively on the Risk Assignment Unit.
- **Probable denial:** As from July 2004, the Regional Divisions are those that can favourably approve these operations.
- **Doubt:** For SMEs and Large Enterprises, the Regional Divisions will be responsible for favourably approving these operations. For Firm Types that are smaller (micro-enterprises and freelancers), the offices will be responsible for approving said risks.

Adaptation of said routines to the economic cycle: The module that allows incorporating the effect of the economic cycle when issuing the finding is currently being revised.

Automatic comments considered by the findings of the scoring: As complementary information to the scoring decision and as a fundamental decision element, the system presents a series of automatic comments in the form of short messages. Their purpose is to inform the deciding centres about the main weaknesses that have affected the analysis, so that, before issuing the finding, the same are adequately weighed and they do not fail to consider certain essential aspects of the analysis.

It should be pointed out that the specific model for operations of **Real Estate Promotion Financing** is in the programming phase. Likewise, the company scoring and rating models, which have been operating since September 2002, are currently being re-evaluated.

4.2.2 Monitoring and Control of Rating Systems

Every month, Microstrategy shall provide a battery of reports especially designed to verify the behaviour of the assessment systems. These reports shall be analysed every month on the monitoring committee, comprising members of the executive management and heads of risk management, for the purpose of adopting the opportune decisions concerning the credit risk policy, where applicable.

Regardless of the aforementioned periodic reports, any aspects that could have an impact on the current systems shall be dispatched as soon as they become known and at any time.

The automatic assessment systems are re-estimated periodically during the life of the loan extended.

2.2.8 Representations of the Issuer in Relation to the Assets

The Assignor, as holder of the Loans until their assignment to the Fund, and as issuer of the Mortgage Transfer Certificates, declares the following to the Fund Manager, in representation of the Fund, and to the Underwriting and Brokerage Entities of the Bond issue on the Deed Formation Date:

Statements of Lender with regard to himself

- 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 grant Loans to SMEs and to operate in the mortgage market.
- 2) That it was not in a state of insolvency that could give rise to bankruptcy on the date on which the Prospectus was registered.
- 3) That it has obtained all necessary authorisations, both administrative and corporate, including, where applicable, authorisations from the third parties who could be affected by the assignment of the Loans to the Fund, and to issue the Mortgage Transfer Certificates, and for the valid execution of the Deed for Formation, of the commitments assumed therein and the rest of the contracts related to the formation of the Fund.
- 4) That it has the audited annual accounts for the last three financial years ending 31 December 2003, 2004 and 2005, with a favourable opinion from the auditors. These annual accounts and audit reports have been filed with the CNMV and the business register.
- 5) Whereas on 17 October 2006 it signed a Framework Collaboration Agreement with the Ministry of Industry, Tourism and Trade in accordance with Annex II of the Order dated 28 December 2001 (hereinafter "*Framework Agreement for collaboration between the Ministry of Industry, Tourism and Trade, and the Credit Institutions to determine the Loans susceptible to assignment to the asset securitisation Funds that are created to favour business financing*").

Statements by Lender with regard to Loans

- 1) That all the Loans are duly formalised in a public document, either through a deed or a policy, and that Banco Pastor, S.A. keeps the first copy of the public deed or the original policy or contract at the disposal of the Fund Manager.
- 2) That all of the Loans exist and are valid and callable under applicable law.

- 3) That the Assignor is the rightful owner of the totality of the Loans, free from liens or claims, and there exists no impediment whatsoever to their being assigned to the Fund.
- 4) That all the Loans are denominated in euros and are payable exclusively in euros.
- 5) That the data relative to the Loans that are included as Annex 6.1 and 6.2 to the Fund Formation Deed correctly reflect the present situation, as included in the contracts that document the Loans and in the data files of the Financing Operations, and that those data are correct, complete and not conducive to error. Likewise, any other additional information about the characteristics of the Loans portfolio of the Assignor collected in the Informative Prospectus is correct and not conducive to error.
- 6) That the Loans, at the time of their formalisation, have an amortisation period of no less than one year.
- 7) That the criteria described in the “Internal Memorandum on Financing Operations” contained in part 2.2.7 of this Supplemental Addendum are those habitually used by the Assignor for arranging financing operations with SMEs.
- 8) That the criteria established by the Assignor have been followed for the granting of the Loans included in the portfolio.
- 9) That all the Loans are clearly identified, both on data files and in the contracts, deeds or policies 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.
- 10) That since the time they were granted, all of the Loans 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.
- 11) That it is unaware of the existence of lawsuits of any kind with regard to the Loans that could prejudice their validity and enforceability.

- 12) That the Assignor is unaware of any Debtor of the Loans who, as the holder of a credit right against the Assignor, is in a position to oppose the offsetting.
- 13) That none of the Debtors can raise any objection whatsoever to the Assignor against the payment of any Loan amount.
- 14) That the Loan agreements do not contain any clauses which impede the assignment of the Loans or which require special authorisation to do so, with the exception of those duly obtained prior to the Fund Incorporation Date. Moreover, all of the requirements for assignment established in the Loan agreements have been met.
- 15) That on the Fund Formation Date, none of the Loans shall be in default by more than forty five (45) days, but the amount of the Loans with arrears of more than 30 days shall not exceed 5% of the Bond Issue amount.
- 16) That on the date of the Constitution of the Mortgage Loan Fund approximately 55% of the total Loans collected in the Fund and the Non Mortgage Loans will suppose approximately 45% of the remnant.
- 17) That at the Fund Formation Date no notification has been received of the early amortisation of the total of the Loans.
- 18) That none of the Loans has a final maturity date later than 31 May 2041.
- 19) That the capital or principal of all the Loans has been totally disbursed.
- 20) That the payment of the principal and interest on all Loans will be by direct debit.
- 21) That on the date of assignment to the Fund, each one of the Loans has had at least instalment paid.
- 22) That in conformity with the internal registers, none of the Loans corresponds to grants to property developers for the construction or rehabilitation of housing and/or commercial premises destined for sale.
- 23) That the guarantees of the Loans are valid and enforceable in accordance with applicable legislation, and the Assignor has no knowledge of the existence of any circumstance that prevents the execution of the guarantees.

- 24) That no person has any preferential right to the Fund, as a holder of the Loans, to the collection of quantities derived therefrom with the exception of legally established preferential rights.
- 25) That the Financing Operations referred to in the Loans have been granted to non-financial enterprises located in Spain to finance their business activities. At least 98% of the Loans have been granted to small and medium enterprises pursuant to the definition of the European Commission (European Commission Recommendation 2003/361/EC of 6 May 2003 on the definition of small and medium enterprises).
- 26) That both the granting of the Loans as well as the assignment of same to the Fund and all aspects related thereto have been made and will be made according to market criteria.
- 27) That the data and information relative to the Loans selected for assignment to the Fund contained in part 2.2.2. of this Supplemental Addendum faithfully reflect the situation as of the corresponding date and that all such information is complete and correct.
- 28) There are no leasing contracts in the selected portfolio.
- 29) That none of the loans has been conceded to employees of Banco Pastor, S.A.
- 30) That on the Fund Formation Date, the definitive portfolio shall be selected in accordance with the following criteria: i) loans paid up to date or with delays of no more than 45 days, but the amount of loans with delays of 30 days will not be more than 5% of the amount of the issue of Bonds and ii) or the amount of minor to major of the aggregate principle outstanding of each debtor up to a total principle or capital total equal to or as near as possible by default to six hundred and thirty million (630.000.000) euros.
- 31) That all Loans are subject to a previously established periodic repayment schedule.
- 32) That none of the loans contain clauses that permit periodic interest or principle deferral, without taking into account the deferral of principle payment that might exist in the Fund Constitution Date.

- 33) That the maximum risk level extended to a single borrower (defined as the sum of the outstanding balances of all Loans granted to a single debtor) does not exceed 5,958,558.00 euros equivalent to 0.91% of the portfolio on 23 October 2006.

In Relation to the Mortgage Transfer Certificates and the Mortgage Loans.

- 1) That the Assignor's Board of Directors has validly passed all of the resolutions needed to assign the Mortgage Loans and to issue the Mortgage Transfer Certificates.
- 2) That the data relative to the Mortgage Loans included in the Multiple Title accurately reflects the current situation as contained in the computer files and paper files of said Mortgage Loans and are correct and complete.
- 3) That the Mortgage Transfer Certificates are issued under the protection of article 18 of the Finance Law, by which a new paragraph is added to section two of the fifth additional decree of the Law 3/1994, and remaining applicable regulations.
- 4) That all the Mortgage Loans are guaranteed by real estate mortgages formed with the level of full domain of each and every one of the mortgaged properties, without them being subject to prohibitions of conveyance, executive conditions or any other limitation on the domain.
- 5) That the Mortgage Loans are formalised in public deeds and all mortgages are duly constituted and registered in the pertinent Land Registers and that the registration data corresponds to those mentioned in the Multiple Title. The registration of the mortgaged property remains in force and there are no contradictions of any kind.
- 6) That those properties which have been appraised have been appraised by appraisal companies duly registered with the Bank of Spain and that the appraisal certificates have been issued for all appraisals.
- 7) That the characteristics of the Mortgage Loans are not of the kind excluded or restricted by article 32 of Royal Decree 685/1982 for covering the issue of Mortgage Transfer Certificates.

- 8) That the Mortgage Loans are not securitised, either by nominal certificate, to the order of, or to the bearer, other than the Mortgage Transfer Certificates that are issued for subscription purposes by the Fund.
- 9) That the Mortgage Loans are not included in any issue of mortgage Bonds, mortgage shares or Mortgage Transfer Certificates, distinct from the issue of the Mortgage Transfer Certificates, and, from the issue of these, the Mortgage Loans will not be included in any issue of mortgage debentures, mortgage Bonds, mortgage shares or other Mortgage Transfer Certificates.
- 10) That the properties serving as the collateral for the Mortgage Loans are finished properties located in Spain.
- 11) That the Mortgage Transfer Certificates are issued for a period of time equivalent to the time remaining until the due date and at the same interest rate of each one of the Mortgage Loans to which they refer.
- 12) That no one has a preferential right to the Fund with regard to the Mortgage Loans as the owner of the Mortgage Transfer Certificates.
- 13) That all buildings mortgaged to guarantee the loans, at least on the formalization date, with a fire damage insurance in which the insured capital is not inferior to the official valuation of the mortgaged property or properties excluding elements that are naturally non-insurable.

These representations are made by Banco Pastor, S.A., after the pertinent verifications on a selection of the Loans. For the purposes of part 2.2.9. below, the fact that such verifications were made does not rule out the possibility that during the term of the Loans it may be found that one of the Loans or the corresponding Mortgage Transfer Certificates does not comply as of the Fund Formation Date with the representations contained in part 2.2.8, in which case the provisions of part 2.2.9. below shall apply.

Either way, the foregoing may not be construed as a guarantee of any kind by the Assignor, nor the subscription by the Assignor of any repurchase agreement or a guarantee of the success of the operation.

2.2.9 Substitution of the securitised assets

If at any time during the term of the Loans it is discovered that any of the assets does not conform to the representations made in part 2.2.8 of this Supplemental Addendum at the time of the formation of the Fund, the Assignor, with the Fund Manager's approval, 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 affected Loan with another of similar financial characteristics (with regard to the Outstanding Balance, term, guarantee, interest rate, payment frequency and internal rating of the Debtor) which must be accepted by the Fund Manager within a maximum period of 30 days. If there is a positive difference between the balance of the replaced Loan and the loan balance incorporated, the difference shall be deposited in the Amortisation Account.

In the case of Mortgage Loans, the Assignor undertakes to replace the Mortgage Transfer Certificates with others of similar characteristics which must be accepted by the Fund Manager, provided that such replacement does not impair the Bond rating assigned by the Rating Agencies. If a Mortgage Transfer Certificate must be replaced, the Assignor shall issue a new Multiple Title that will be exchanged for that delivered under the terms of this Prospectus.

As soon as it becomes aware that one of the Loans 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 Loans it intends to assign in replacement of the affected Loans.

When a loan is replaced, the Assignor shall demonstrate that the replacement loan complies with the representations contained in part 2.2.8. of this Supplemental Addendum.

The Assignor undertakes to formalise the assignment of the replacement Loans in a notarised document in the manner established by the Fund Manager and to provide whatever information relative to them which Fund Manger deems necessary.

- c. Along with the obligations assumed in parts a) and b) above and under those circumstances where the rectification is called for and the defect is not or cannot be remedied or where replacement is not possible, in the Fund Manager's reasoned opinion notified to the Assignor and to the National Securities Market Commission, the Assignor undertakes to return, in cash, the principal of the corresponding loan and all accrued and unpaid interest on those Loans and any other amount payable to the Fund, which shall be deposited in the Amortisation Account.

Furthermore, modification of the conditions of the Loans by the Assignor during the life of the said Loans without being bound to the limits set forth in the special legislation that applies and particularly the terms agreed between the Fund, represented by the Fund Manager, and the Assignor as set forth in section 3.7.2 of this supplemental addendum and, therefore, absolutely exceptional, shall involve unilateral breach by the Assignor of its obligations which must not be borne by the Fund or by the Fund Manager.

Faced with the foregoing breach, the Fund, via the Fund Manager, shall have the right to (i) demand the corresponding indemnification for damages and (ii) instruct the replacement or repayment of the Loans affected. This does not mean that the Fund Manager guarantees the successful outcome of the operation, but rather the necessary repair of the effects produced through breach of its obligations, in accordance with article 1124 of the Civil Code.

The expenses incurred in remedying the breach by the Assignor must be paid by this party and cannot be passed on to the Fund or the Fund Manager. This party shall immediately notify the CNMV of each one of the replacements or redemptions of the non-Mortgage Loans and of the Mortgage Transfer Certificates as a consequence of breach by the Assignor.

2.2.10 Insurance Policies on the Securitised Assets.

The public deeds through which the Mortgage Loans are formalised determine the obligation of the mortgagor corresponding to the holding of a damage insurance policy covering the risk through damages, including fire or partial or total loss of the building, for the appraisal value for insurance purposes, as well as paying the corresponding premiums.

Details on the concentration of insurance companies are not included because the current situation concerning insurance policies taken out by the debtor companies

and their data are not held or updated on the Assignor's data files. However, any possible concentration of the insurance companies has not been considered significant for the credit enhancement of the operation.

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.

Not applicable.

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

Not applicable.

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.

Not applicable.

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.

The appraised values of the properties used as collateral for the selected Loans refer to the appraisals done by the appraisal firms when the selected Mortgage Loans were initially granted and formalised.

2.3 ACTIVELY MANAGED ASSETS BACKING THE ISSUE

Not applicable.

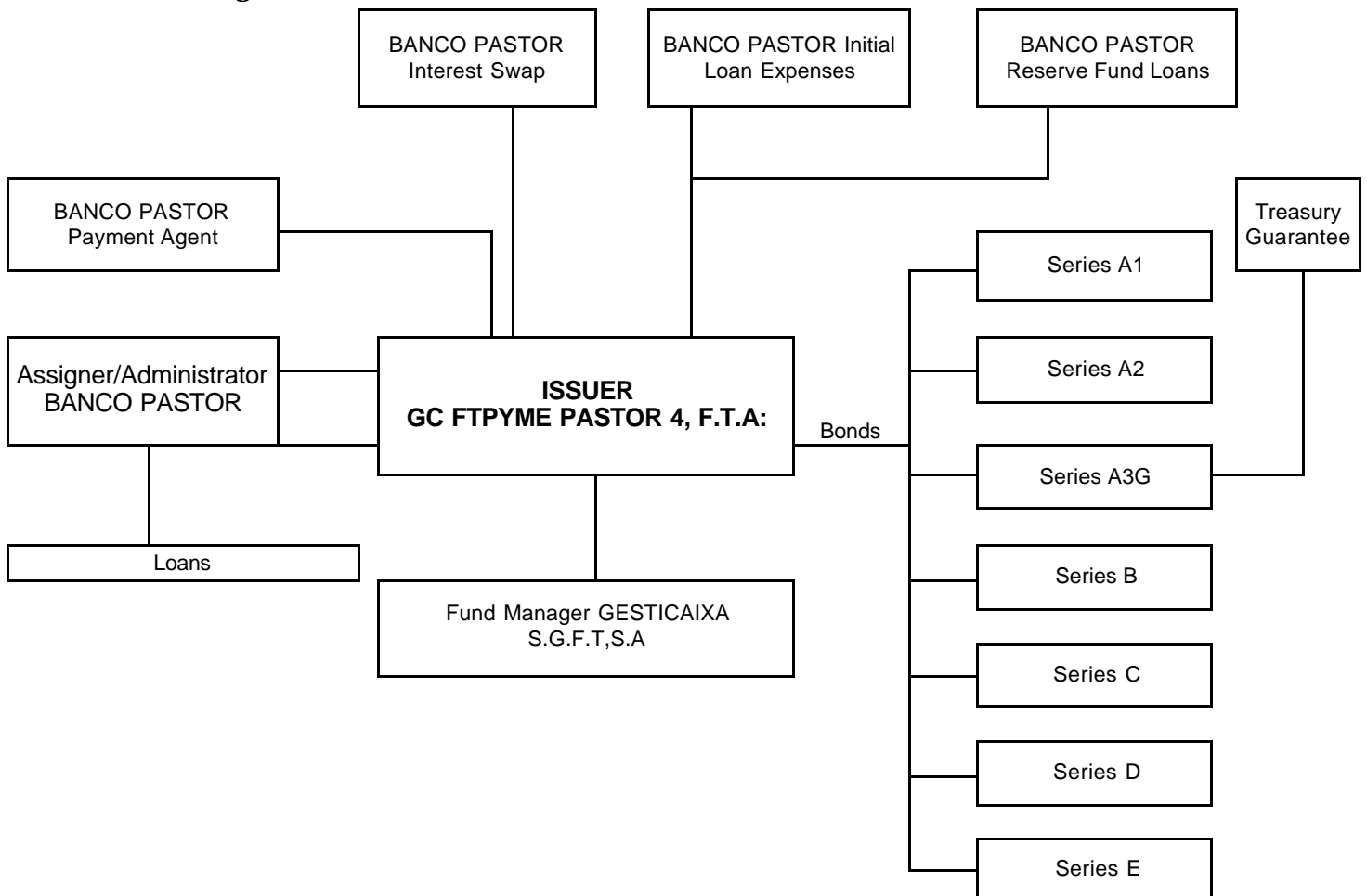
2.4 DECLARATION IF THE ISSUER PROPOSES ISSUING NEW SECURITIES BACKED BY THE SAME ASSETS AND DESCRIPTION OF HOW THE HOLDER OF THAT CLASS WILL BE INFORMED.

Not applicable.

3. STRUCTURE AND TREASURY

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

Diagram



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		Bond Issue	
Loans (Non-mortgage loans and mortgage transfer certificates)	630,000,000	Bond Series A1	260,000,000
		Bond Series A2	256,600,000
		Bond Series A3G	50,400,000
		Bond Series B	15,800,000
		Bond Series C	15,700,000
Initial expenses activated(*)	750,000	Bond series D	18,900,000
		E Series Bonds	12,600,000
Current Assets	630,750,000	Other Long-Term Liabilities	630,000,000
Amortisation Account (**)	12,600,000	Loan for Initial Expenses	750,000
		Reserve Fund Loan	12,600,000
Total	643,350,000	Total	643,350,000

(*) 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 THAT ARE TAKING PART IN THE ISSUE AND THE DUTIES THEY ARE TO PERFORM

The description of the participating entities in the bond issue and the functions they perform are shown in part 5.2 of the Registration Document and 3.1 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, additional contracts may be signed 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 the authorisation of the latter, if appropriate, or competent administrative body. Notification must also be given to the Ratings Agencies and said actions must not jeopardise the rating awarded to the

Bonds by said Agencies. Furthermore, such changes shall not require the amendment of the Deed of Formation inasmuch as there is no change to the Fund's Payment Priority Order.

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 Rating Agencies to the Bonds issued by the Fund.

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

Subcontracting of Participants

The participants in the GC FTPYME PASTOR 4 securitization 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 Agencies 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.

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

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 Loans

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

The assignment of the non-Mortgage Loans by Banco Pastor, S.A. and their acquisition by the Fund and the issue of the Mortgage Transfer Certificates by Banco Pastor, S.A., and their subscription by the Fund shall be formalised by means of the execution of the Fund Formation Deed (hereinafter, the "**Deed of Formation of the Fund**") and shall be effective on that same date.

The debtors shall not be notified of the assignment of the Loans by Banco Pastor, S.A. For these purposes, notification is not a requirement for the loan assignment to be valid.

Assignment of Non-Mortgage Loans

The Non-Mortgage Loans will be assigned directly without issuing any negotiable security whatsoever. The Assigner will assign and communicate to the Fund on the Fund constitution Date, envisaged for 10 November 2006 (hereinafter the "**Constitution Date**") that for this purpose the assignment date (hereinafter the "**Assignment Date**") will be considered as his total participation in the non-Mortgage Loans to a total amount equal to the unmatured balance of said non-Mortgage Loans on the Assignment Date that on this date will be approximately 45.00% of the portfolio. The Fund shall acquire them for the aforementioned amount, with all of their rights, except for the obligations which shall continue to be incumbent upon the Assignor as established in the following sections.

The Non-Mortgage Loans will start accruing interest in the Fund's favour on the Assignment Date (Fund Constitution Date).

The assignment shall be full and unconditional and shall be for the total remaining period from the Formation Date until the due date of the Non-Mortgage Loans, notwithstanding the provisions of part 4.4 of the Registration Document which makes reference to the Assignor's right of first refusal to the remaining Loans upon

the settlement of the Fund, although this right shall not, under any circumstances, be construed as an agreement or declaration of repurchase of the Loans assigned by the Assignor.

Assignment of the Mortgage Loans

The Mortgage Loans will be assigned to the Fund by the Assignor by issuing Mortgage Transfer Certificates (hereinafter, “**Mortgage Transfer Certificates**”) corresponding to the Mortgage Loans in order to pool them in the Fund, which will then be subscribed by the Fund, represented by the Fund Manager, as established in the Fifth Additional Provision of Law 3/1994 in the wording contained in the Financial System Reform Measures Act 44/2002 (hereinafter, “**Law 44/2002**”), in the Mortgage Market Regulation Act 2/1981 of 25 March (hereinafter “**Law 2/1981**”) and in Royal Decree 685/1982 of 17 March on the Regulation of the Mortgage Market (hereinafter, “**Royal Decree 685/1982**”).

The Assignor will issue on the Formation Date, effective as of that date, as many Mortgage Transfer Certificates as Mortgage Loans are assigned which, on the Fund Formation Date, shall represent an unmatured outstanding balance of approximately 55.00% of the portfolio total.

Each Mortgage Transfer Certificate refers, as of the Assignment Date, to 100% of the Unmatured Principal on each one of the Mortgage Loans and accrues interest at a rate equal to the nominal interest rate applicable to the corresponding Mortgage Loan at any given moment.

The Mortgage Transfer Certificates will start earning interest on the Assignment Date (Fund Constitution Date).

The Mortgage Transfer Certificates are represented by means of a nominative Multiple Title issued by the Assignor representing all of the Mortgage Transfer Certificates. The said Multiple Title shall contain the information required by article 64 of Royal Decree 685/1982 of 17 March, amended by Royal Decree 1289/1991 of 2 August, along with the registration information on the mortgaged property used to guarantee the Mortgage Loans. The transmission of the Mortgage Transfer Certificates shall be limited to institutional or qualified investors and may not be acquired by the public at large.

The Fund Manager will deposit the Multiple Title with the Payment Agent, acting for these purposes as the receiver in accordance with the terms of the Payment Agency Agreement.

The assignment of the Mortgage Loans, implemented by means of the Mortgage Transfer Certificates issued by the Assignor and their subscription by the Fund, represented by the Fund Manager, shall be full and unconditional and shall be for the total period between the Formation Date and the due date of the Mortgage Loans, notwithstanding the provisions of part 4.4. of the Registration Document which makes reference to the Assignor's right of first refusal to the remaining Loans upon the settlement of the Fund, although this right shall not, under any circumstances, be construed as an agreement or declaration of repurchase of the Loans assigned by the Assignor.

The Mortgage Transfer Certificates will be transferable through written declaration on the same title and, in general, through any of the means allowed by law. The transfer of the Mortgage Transfer Certificate and the domicile of the new titleholder shall be notified by the buyer to the issuer of the same, its acquisition or holding being reserved for institutional or qualified investors without being able to be acquired by the non-specialized public.

In the event of either having to substitute any of the Mortgage Transfer Certificates, as described in section 2.2.9 of this supplemental addendum, or in the event that the Fund Manager, in representation and on behalf of the Fund, proceeds with the execution of a mortgage loan, as set forth in section 3.7.2 of this supplemental addendum, as well as to the early settlement of the Fund, in the circumstances and conditions set forth in section 4.4.3, if applicable, of the registration document, sale of the cited Mortgage Transfer Certificates takes place, Banco Pastor, S.A. undertakes to split, if appropriate, any multiple title into as many individual or multiple titles as necessary, to substitute it or exchange it so as to achieve the foregoing aims.

Banco Pastor, S.A., as the issuing entity, shall keep a special book in which it shall record the Mortgage Transfer Certificates issued and it shall likewise place on record (i) the date of formalisation and maturity of the Mortgage Loans, the amount of the same and the method of settlement; and (ii) the registry details of the mortgages that underwrite the Mortgage Loans.

Given the institutional character of the investors of the Fund and the subscription by them to the Mortgage Transfer Certificates, in accordance with the second paragraph of article 64.1, of Royal Decree 685/1982, the issue of the Mortgage Transfer

Certificates will not be the object of marginal note in each inscription of the corresponding Mortgage Loans in the Property Registry.

Effectiveness of the Assignment

The assignment of the Loans and the issue of the Mortgage Transfer Certificates shall be fully effective between the parties on the Assignment Date, which coincides with the Formation Date.

Price of the Assignment

The price of the assignment of the Loans shall be equal to the amount, on the Formation Date, of the sum of the outstanding and unmatured balance of the Loans (hereinafter the “**Initial Balance**” or the “**Initial Outstanding Balance**” of the Loans), an amount which on the Formation Date will be equal to or slightly less than six hundred and thirty million (630,000,000) euros, which shall be paid by the Fund Manager on behalf of the Fund to the Assignor on the Disbursement Date, with the same value date, once the Fund has received the subscription price of the Bonds. The difference between the subscription price of the Bonds and the Initial Outstanding Balance will be deposited into the Amortisation Account.

The Liability of the Assignor as the Assignor of the Loans.

The Assignor, pursuant to article 348 of the Commerce Code, is only liable to the Fund for the existence and legitimacy of the Loans in the terms and conditions declared in the Fund Formation Deed and the Prospectus to which this document pertains, as well as the status with which the assignment is performed, but does not assume any liability for non-payment by the Debtors of the Mortgage Loans and the Non-Mortgage Loans, be it the principal or the interest on the Credit Rights or any other sum owed by them pursuant to the Mortgage Loans or Non-Mortgage Loans, whichever applies.

The Assignor does not assume any liability for the effectiveness of the ancillary guarantees of the Loans. Neither will it assume, in any other way, responsibility in guaranteeing the successful outcome of the operation, nor execute guarantees or security, nor enter into pacts for the repurchase or substitution of the Loans, in accordance with that set forth in part 2.2.9. of this Supplemental Addendum, all in fulfilment of that 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 Loans 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 Assignment Date, the Assignor will continue to assume the risk of insolvency of the Debtors.

If the Fund were obliged to pay third parties any sums in connection with the assignment of the Loans not paid on the Assignment Date due to the fact that the information on the Loan provided by the Assignor was incomplete, the Assignor will be liable to the Fund for any damages, costs, taxes or fines levied on the Fund.

Advance Payment of Funds

The Assignor will not make any advance payment to the Fund on behalf of the Debtors, be it for the principal or interest of the Loans.

Rights Conferred on the Fund by the Assignment of the Loans

The Fund, as the owner of the Loans, shall be vested with the rights of the Assignee recognised in article 1528 of the Civil Code. More specifically, it shall be entitled to receive all payments made by Debtors starting on the Formation Date and all other payments associated with the Loans.

In particular and for merely illustrative purposes, the assignment will confer the following rights to the Fund in relation to each of the Loans from the Formation Date:

- (a) To receive the total of the amounts that accrue and are paid through the reinvestment of capital or principal of the Loans.
- (b) To receive the total of the amounts that accrue and are paid through the ordinary interest on the capital of the Loans. The default interest accrued, if applicable, by the Loans not assigned to the Fund.
- (c) To receive any other amounts, goods, or rights that are received by Banco Pastor, S.A. in payment of the principal, ordinary interest, both through the auction price or amount determined through a judicial ruling or notary executive process in the execution of the mortgage or non-mortgage guarantees, as well as through the disposal or exploitation of

the adjudicated real estate or goods or, as a consequence of the aforementioned enforcements, in interim administration and possession of the real estate in the process of enforcement up to the amount assigned and underwritten.

- (d) To receive whatsoever other payment that Banco Pastor, S.A. receives through the Loans, such as the rights derived from any accessory right to the same, the rights or indemnifications that correspond to the same through any insurance contract with regard to the goods that, if appropriate, are mortgaged in guarantee of the Mortgage Loans, up to the amount underwritten and assigned with the exception of arrears interest, commissions charged for unpaid bills, subrogation commissions, redemption/early cancellation fees, as well as any other commission or compensation that corresponds to Banco Pastor, S.A.

There is no obligation to retain or to make deposits on account of the earnings on the mortgage participations, Mortgage Transfer Certificates, Loans or other credit rights which constitute the Fund's income, as provided for in article 59 k) of Royal Decree 1777/2004 of 30 July which approved the Corporate Income Tax Regulation.

1. In the event of early amortization of the Loans by full or partial repayment of the principal, the substitution of the affected Loans shall not take place.
2. The rights of the Fund resulting from the Loans are linked to the payments realised by the Debtors, and as a result remain directly affected by the evolution, delay, early amortization or any other development regarding the Loans.
3. The Fund will assume all possible expenses or costs that are charged to the Assignor deriving from the collection process in the case of breach of obligations by the Debtors, including the exercise of legal action against the same, in accordance with part 3.7.2 of this Supplemental Addendum.

Notification to the Debtors

The assignment of the Loans to the Fund by the Assignor shall not be notified to the debtors. In those cases where the Loans are covered by third-party *in rem* or personal guarantees other than the mortgage guarantee, the assignment shall also not be notified initially to the depositary of the goods or securities, in the event that the depositary is an entity other than the administrator, or to the guarantors of the

debtors. In this regard, neither Iberclear nor its participating entities shall initially be notified of the assignment of the Loans that are covered by a pledge of listed securities or which are kept through book entries on their systems

However, in accordance with the provisions set forth in section 3.7.2 of this Supplemental Addendum, in the event of bankruptcy or any indication of receivership by the Bank of Spain, of settlement or replacement of the Administrator or if the Fund Manager considers it reasonably justified, the Fund Manager may request the Administrator to notify the debtors and, if applicable, the depositories of the goods and securities, as well as the guarantors, of the transmission of the outstanding Loans to the Fund and of the fact that the payments associated therewith will only release them from their obligations if made to the Amortisation Account open in the Fund's name. However, if the Administrator fails to notify the Debtors or other parties within three (3) business 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 and, if applicable, the depositories of the goods or securities and guarantors. The Fund Manager will issue the notice as quickly as possible.

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 Loans that it administers shall be made in the following way:

The Assignor shall transfer all sums received for any item to which the Fund is entitled on the Loans it administers to the Fund's Amortisation Account. This deposit shall be made within the first five business days of the month immediately following and with the value date as the date on which the sums were received by the Assignor.

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 Loans, the Fund Manager will instruct the Assignor to notify each and every one of the debtors of the Loans that, as of the date of the notice, they should make all payment on their Loans directly to the Amortisation Account open in the Fund's name. However, if the Administrator fails to notify the Debtors within 3 business days of being required to do so or if the Administrator goes bankrupt, the Fund Manager itself will notify the Debtors directly.

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 Loans.

Quarterly, on each Payment Date, the accrued interest will be paid to the Bondholders of Class A, B, C, D and E bonds and the principal of Class A, B, C, D and E Bonds will be repaid pursuant to the conditions established for each one of them in parts 4.8 and 4.9 of the Prospectus Schedule and the Payment Priority Order contained in part 3.4.6. of this Supplemental Addendum.

On each Payment Date, the Available Funds for covering the Issuer's obligations with the Bondholders shall be the income obtained from the non-Mortgage Loans and Mortgage Loans under the concept of principal and interest calculated on each Determination date; the interest accrued from the Amortization 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.

3.4.2 Information on Credit Enhancements

3.4.2.1. Description of Credit Enhancements

With the goal of consolidating the financial structure of the Fund, of augmenting the security or regularity of the payment of the bonds, of covering the temporary lags between the calendar of the flow of principal and interest of the Loans and that of the bonds or, in general, transforming the financial characteristics of the bonds issued, as well as complementing the administration of the Fund, the Fund Manager, in representation of the Fund, shall proceed, in the act of bestowing the deed of formation, to formalise the contracts and operations enumerated below in compliance with the applicable regulations.

1. State Warranty for the Series A3G Bonds. The Warranty will secure, waiving the benefit of discussion established in article 1,830 of the Civil Code, the payment of the principal and the interest of the A3G Bonds.
2. Guaranteed rate account: The account opened in the name of the Fund by the Fund Manager (amortisation account) is remunerated at rates agreed to in such a way that a minimum return on the balances is guaranteed. In the same way, the Surplus Account, should it be required at any time during the life of the Fund, shall be remunerated at a rate that is at least equal to the

rate contracted with Banco Pastor, S.A. by virtue of the Amortisation Account, and under settlement conditions equal to the Amortisation Account.

3. Reserve Fund: Formed as from the disbursement of the Loan for the Reserve Fund, which will allow payments to the Fund to be made in the event of losses due to Unpaid or Delinquent Loans.
4. Interest Swap The interest rate swap is intended to cover: (i) the interest rate risk of the Fund due to the fact that the Loans 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 Loans may be subject to renegotiations that decrease the agreed interest rate, and (iii) the risk derived from the existence of maximum interest rates in the portfolio.
5. Financial margin: Via the financial swap of interest contract, the Fund receives gross margin excess of 0.85% on top of the notional Financial Swap.
6. Consideration of Defaulted Loans at eighteen (18) months from non-payment, except where the debtor has been declared insolvent or the loan has been declared defaulted by the Fund Manager.
7. Loan Subordinated by the Constitution Costs: the payment of the Fund constitution Costs and the issue of the Bonds.

The global credit enhancements backing each one of the Classes are summarised below:

Series A1 and A2:

- i) Right on the Loans (except default interest and commissions).
- ii) Return on the amortisation account and, if applicable, surplus 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 0.85% through the Financial Interest Swap.
- vi) Subordination and down ranking interest payments on Classes B, C, D and E.
- vii) Subordination of the repayment of principal of the Series A3G, B, C, D and E, and in the case of Series A1, partially the repayment of the Series A2 Bonds: qualified by the commencement of the amortisation on a deferred, prorated

basis and interruption of the prorated amortisation under certain circumstances:

Series A3G:

- i) Right on the Loans (except default interest and commissions).
- ii) Return on the amortisation account and, if applicable, surplus account.
- iii) State Warranty
- 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 0.85% through the Financial Interest Swap.
- vii) Subordination and down ranking interest payments on Classes B, C, D and E.
- viii) Subordination of the amortisation of the principal on Classes B, C, D and E, qualified by the commencement of the amortisation on a deferred, prorated basis and interruption of the prorated amortisation under certain circumstances:

Series B:

- i) Right on the Loans (except default interest and commissions).
- ii) Return on the amortisation account and, if applicable, surplus 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 0.85% through the Financial Interest Swap.
- vi) Subordination and postponement of interest payments on Classes C, D and E.
- vii) Subordination of the amortisation of the principal on Classes C, D and E, qualified by the commencement of the amortisation on a deferred, prorated basis and interruption of the prorated amortisation under certain circumstances:

Series C:

- i) Right on the Loans (except default interest and commissions).
- ii) Return on the amortisation account and, if applicable, surplus 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 0.85% through the Financial Interest Swap.

- vi) Subordination and postponement of interest payments on Classes D and E.
- vii) Subordination of the amortisation of the principal on Classes D and E, qualified by the commencement of the amortisation on a deferred, prorated basis and interruption of the prorated amortisation under certain circumstances:

Series D:

- i) Right on the Loans (except default interest and commissions).
- ii) Return on the amortisation account and, if applicable, surplus 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 0.85% through the Financial Interest Swap.
- (vi) Subordination and down-ranking of interest payments of Series E.
- vii) Subordination of the amortisation of the principal of Series E:

Series E:

- i) Right on the Loans (except default interest and commissions).
- ii) Return on the amortisation account and, if applicable, surplus 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 0.85% through the Financial Interest Swap.

3.4.2.2. Reserve Fund

As a guarantee mechanism against possible losses due to unpaid or defaulted Loans and for the purposes of permitting the payments to be made by the Fund in accordance with the payment priority rules described in section 3.4.6. of this Supplemental Addendum, a deposit shall be set up and shall be called the Reserve Fund (hereinafter, the "**Reserve Fund**").

The specifications of the Reserve Fund are as follows:

Amount of the Reserve Fund

1. The Reserve Fund will be constituted on the Disbursement Date to the value of twelve million six hundred thousand (12.600.000) euros (the

“Initial Reserve Fund”, charged to the Disbursement of the Loan by the Reserve Fund.

2. Subsequent to constitution, on each Payment Date, the Reserve Fund will pay an amount equal to the required level of the Reserve Fund to be established below to be charged to Available Funds according to the Fund Payment Priority Order.
3. The level of the Reserve Fund required on each Payment Date (the “**Minimum Reserve Fund Level**”) will be the lesser of the following quantities:
 - (i) The initial Reserve Fund.
 - (ii) The higher amount between:
 - a) 4% of the balance of the outstanding amount of the Bond Issue.
 - b) Six million three hundred thousand (6.300.000) euros.
4. Notwithstanding the foregoing, the minimum level of the reserve Fund shall not be reduced on the Payment Date that corresponds and shall remain at the amount of the minimum level of the Reserve Fund on the preceding Payment Date, when any of the following circumstances concur on the Determination Date preceding the corresponding Payment Date:
 - i) That on the Determination Date prior to the corresponding Payment Date, the amount of the defaulted Loans balance is greater than 1.00% of the outstanding balance of the Loans.
 - ii) That on the Payment Date preceding the corresponding Payment Date, the reserve Fund has not been allocated with a sufficient amount to reach the minimum level of the reserve Fund on that Payment Date.
5. Similarly, the Minimum Level of the Reserve Fund will not be reduced on the corresponding Payment Date and will remain as part of the Initial Reserve Fund amount, for two (2) years following Fund Constitution Date.

Yield

The amount of the Reserve Fund shall remain deposited in the amortisation account, remunerated in the terms of the account-opening contract at a guaranteed rate of interest (Amortisation Account).

Destination

The Reserve Fund will be used on each Payment Date to meet the Fund's payment obligations according to the Payment Priority Order and the Settlement Payment Priority Order.

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 of the Prospectus, 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 contracts described hereunder shall be terminated in the event that the provisional rankings awarded by the rating agencies are not confirmed as final prior to the commencement of the subscription period.

3.4.3.1 Loan for Initial Expenses.

The Fund Manager, on behalf of the Fund, will sign a subordinate loan contract with Banco Pastor, S.A. (hereinafter the "**Loan for Initial Expenses**") for a total amount of 750,000.00 euros.

The amount of the Loan for Initial Expenses shall be deposited on the Disbursement Date in the Amortisation 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 remunerated based on a quarterly variable interest rate equal to the reference interest rate of the Bonds in force at any given time

plus a margin of 0.3%. 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 amortization shall take place on the first Payment Date on 15 January 2007 and the remaining amortizations 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 Pastor, S.A., both principal and interest payments accrued by 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 Pastor, S.A. on a specific Payment Date if the Available Funds on said Payment Date are sufficient to meet the obligations of the Fund set forth in sections (i) to (xviii) of the aforementioned section for interest and (i) to (xix) for the principal.

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

Amounts owed to Banco Pastor, S.A. and unpaid by virtue of the provisions set forth in the previous paragraphs shall not accrue default interest in favour of Banco Pastor, S.A..

3.4.3.2. Loan for the Reserve Fund

Banco Pastor, 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 twelve million six hundred thousand (12,600,000) euros.

The amount of the Loan for the Reserve Fund shall be deposited in the Amortisation 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 (xv) of the aforementioned section for interest and (i) to (xvi) for the principal.

All the amounts which, by virtue of the provisions set forth in the previous paragraphs, have not been delivered to Banco Pastor, 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.

Amounts owed to Banco Pastor, S.A. and unpaid by virtue of the provisions set forth in the previous paragraphs shall not accrue default interest in favour of Banco Pastor, S.A..

The Loan Agreement for the Reserve Fund will be fully terminated in the event that the Ratings Agencies fail to confirm as final, before the start of the Subscription Period, the provisional ratings assigned to each of the Series of Bonds.

3.4.3.3. Subordination of the Bonds of Series B, C, D and E

The payment of interest and the repayment of the principal on Class B Bonds are down ranked in respect of Class A (Series A1, A2 and A3G) Bonds, in accordance with the Payment Priority Order and Settlement Payment Priority Order set forth in part 3.4.6 below.

The payment of interest and the repayment of the principal on Class C Bonds are down ranked in respect of Class A (Series A1, A2 and A3G) Bonds, and Class B Bonds, in accordance with the Payment Priority Order and Settlement Payment Priority Order set forth in part 3.4.6 below.

The payment of interest and the repayment of the principal on Class D Bonds are down ranked in respect of Class A (Series A1, A2 and A3G) Bonds, and Class B Bonds and Class C Bonds, in accordance with the Payment Priority Order and Settlement Payment Priority Order set forth in part 3.4.6 below.

The payment of interest and the repayment of the principal on Class E Bonds are down ranked in respect of Class A (Series A1, A2 and A3G) Bonds, and Class B Bonds, Class C Bonds and Class D Bonds, in accordance with the Payment Priority Order and Settlement Payment Priority Order set forth in part 3.4.6 below.

Notwithstanding the above, part 4.9.4. of the Prospectus Schedule describes the circumstances under which the Class A, B, C and D 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 class are paid according to the Fund Payment Priority Order are shown in parts 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 Amortisation Account or, where applicable, the Surplus Account, remunerated at a guaranteed interest rate as described below.

3.4.4.1. Amortisation Account

The Fund Manager shall hold an account opened in the Fund's name with Banco Pastor, S.A. (hereinafter, the "**Amortisation Account**") through which all the deposits that the Fund receives from the Assignor and which come from the Loans shall be deposited, and by virtue of which the payment agent guarantees a variable return on the amounts deposited in this account.

All the cash amounts received by the Fund, which shall mainly come from the following concepts, shall be deposited in the Amortisation Account:

- (i) cash amount net of underwriting and placement commission for the payment of the subscription of the Bond 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 Amortisation Account and, where applicable, of the Surplus 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 Bonds paid by the Fund, until the moment on which they must be paid to the Tax Authority.
- (vi) repaid principal and interest collected from the initial Loans whatsoever other amount corresponding to the Loans.
- (vii) amounts drawn down against the State Warranty.

All payments of the Fund shall be made through the Amortisation Account, in accordance with the instructions given by the Fund Manager. The Amortisation Account cannot have a negative balance against the Fund. The balance of the Amortisation Account shall be maintained in cash.

Banco Pastor, S.A. guarantees an annual nominal interest rate, variable on a quarterly basis with quarterly accrual and settlement, except for the first period of interest accrual, which shall have a shorter duration (between the date of formation and the last day of the calendar month in which it falls), applicable to each period of interest accrual (calendar months, different to the established interest accrual periods for the bonds) through the positive daily balances of the cash account, equal to the reference rate of interest of the bonds determined for each interest accrual period, and applicable from the first day of the calendar month following each Payment Date (except in the first interest accrual period that applies from the date of formation). 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 1 December 2006 and 5 December 2006, thereby accruing interest from 10 November 2006 to 30 November 2006, inclusive.

In the event that, during the life of the issue of the bonds, the unsubordinated and unsecured short term debt of Banco Pastor, S.A. experiences a decrease to below P-1 according to the rating scales of Moody's or A-1 in the case of S&P, respectively, or an equivalent rating specifically recognized by the Rating Agencies, the Fund Manager shall exercise any of the options described below that allow the maintenance of an adequate guarantee level regarding the commitments derived from this Contract and shall do so within a maximum period of thirty (30) business days from when the situation occurs:

- a) Obtain from a financial entity with a minimum credit rating for its unsecured and unsubordinated short term debt, of P-1 and A-1, according to the rating scales of Moody's and S&P, respectively, and which does not impair the rating granted to the bonds by the Rating Agencies, a first-demand guarantee to secure the Fund, at the simple demand of the Fund Manager, the timely payment by Banco Pastor, S.A. of its obligation to reimburse the amounts deposited in the Amortisation Account during the time that the forfeiture of P-1 or A-1 ratings of Banco Pastor, S.A. remains in force.

- b) Move the Amortisation Account of the Fund to an entity whose unsecured and unsubordinated short term debt has a minimum credit rating of P-1 and F1, according to the rating scales of Moody's and S&P, respectively, and arrange the maximum return for its balances, although this may be different than that agreed with Banco Pastor, S.A. by virtue of the aforementioned Contract.
- c) In case options a) and b) above are not possible, obtain a pledge guarantee from Banco Pastor, S.A. or a third party in favour of the Fund over financial assets with a credit rating no lower than that of the Spanish State Public Debt, for an amount sufficient to guarantee the commitment assumed in this Contract and which do not impair the ratings assigned to the Bonds by the Rating Agencies.
- d) Similarly, where previous options are not possible under the envisaged terms, Fund Manager might invest the balance in fixed assets in euros in the short term issued by entities that at least have P-1 and A-1 debt qualifications in the short term, according to Moody's and S&P qualification scales respectively, for periods of less than thirty (30) (always with maturity prior to the following Bond Payment Date) and for an amount less than 20% of the Outstanding Bond Balance. For greater periods, and always with a maximum of ninety (90) days (with maturity always prior to the following Bond Payment Date) and when quantities are over 20% of the Principle Outstanding Balance of the Bonds, an A-1+ y P-1 qualification from S&P and Moody's respectively will be required. The remuneration of these assets may not be inferior to the remuneration of the initial Treasury Account.
- e) In both b) and d) situations, the Fund Manager will be later entitled to move the balances back to Banco Pastor, S.A. under the Amortisation Account Contract in the event that its unsubordinated and unsecured short term debt of Banco Pastor, S.A. once again reaches the P-1 and A-1 ratings, in accordance with the Moody's and S&P scales, respectively.

Additionally, if, at any moment during the period of this Contract, the balance of the Treasury Account exceeds twenty per cent (20,00%) of the Principle Outstanding Balance for the Issue of Bonds, the Fund Manager must implement one of the following options:

- a) Obtain a first-demand guarantee from a financial entity with a minimum credit rating for its unsecured and unsubordinated short term debt, of P-1 and A-1+, according to the rating scales of Moody's and S&P, respectively, that ensures the timely payment by Banco Pastor, S.A. to the Fund, at the simple demand of

the Fund Manager, of the amount by which the balance of the amortisation account exceeds the amount equivalent to twenty percent (20%) of the outstanding principal balance of the bond issue.

- b) To transfer and deposit the amount by which the balance of the amortisation account exceeds the amount equivalent to twenty percent (20%) of the outstanding principal balance of the bond issue to a financial account (the “**Surplus Account**”) opened by the Fund Manager in the name of the Fund at a bank whose unsubordinated and unsecured short-term debt has a minimum rating of P-1 and A-1+, in accordance with the rating scales of Moody’s and S&P, respectively, and arrange the maximum return possible for its balances, which shall be at least equal to the return contracted with Banco Pastor, S.A. by virtue of the amortisation account, and under settlement conditions that are the same as the amortisation account.

Under either of the a) or b) actions, in the event that the unsubordinated and unsecured short-term debt of the underwriting entity or the entity where the surplus account is open experiences a fall of its rating to A-1, in accordance with the rating scale of S&P, the Fund Manager must once again put into practice one of the a) or b) options within a maximum deadline of thirty (30) days from when the circumstance takes place.

3.4.5 Collection by the Fund of Payments on the Assets

The Administrator shall manage the collection management of all amounts payable by the Debtors deriving from the Loans, as well as any other item that the assigner receives through the Loans, including the amounts associated with the property damage insurance contracts on the mortgaged property as a guarantee of the Mortgage Loans.

The Administrator shall exercise due diligence so that the payment that the Debtors should make is collected in accordance with the contractual terms and conditions of the Loans.

The amounts that the administrator receives as a result of the Loans shall be deposited in full every month to the Fund through the amortisation account, for monthly calendar periods, within the first five (5) days immediately following and with the value date as the date on which these amounts were received by the administrator.

However, in the event of a fall of the unsubordinated and unsecured short-term debt rating of the administrator to below P-1 or A-2 in accordance with the rating scales of Moody's and S&P, respectively, the Fund Manager shall modify the collection dates and manner of deposit at any time during the term of the administration contract by giving written notification to the administrator, in such a way that the amounts that the administrator receives and which derive from the Loans, are deposited previously with the Fund, on a weekly basis or even on the same day on which they are received by the administrator, all this in order to ensure that the qualification of the bonds is not affected.

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 Loans.

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 for the purchase of the Non-Mortgage Loans and Mortgage Transfer Certificates pooled in the Fund.
- (ii) Payment of the initial expenses of the Fund in accordance with that set forth in section 3.4.3. of this Prospectus Schedule
- (iii) Endowment of an Initial Reserve Fund.

Starting on 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 apply the available Funds and the amount available for the amortization in the payment priority order established below for each one of them (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 Amortisation Account and, if applicable, the Surplus Account, corresponding to the following items:

- i) Income obtained from the non-Mortgage Loans and Mortgage Loans as principal and interest in the three (3) calendar months prior to the Payment Date. Exceptionally, on the first Payment Date, the period to be considered will be from the Constitution Date to the last day of the natural month prior to the first Payment Date, both inclusive.
- ii) Where applicable, other income from Debtors for concepts other than the principle and current interest from the Loans in the three (3) natural months prior to the Payment Date. Exceptionally, on the first Payment Date, the period to be considered will be from the Constitution Date to the last day of the natural month prior to the first Payment Date, both inclusive.
- iii) Returns on the balance of the Treasury Account and where applicable, Surplus Account, in the three (3) natural months prior to the Payment Date. Exceptionally, on the first Payment Date, the period to be considered will be from the Constitution Date to the last day of the natural month prior to the first Payment Date, both inclusive.
- iv) The amount corresponding to the Reserve Fund on the Determination Date preceding the corresponding Payment Date.
- v) Where applicable, the net amounts received by the Fund under the Interest Swap Contract and the amount of the settlement received by the Fund if the Contract is terminated.

- vi) The proceeds of the settlement and, where applicable, of the Fund's assets.

2. Application of Funds

Generally speaking, the Available Funds of the Fund will be applied on each Payment Date to the following items, establishing the order of priority in which the payments will be made as shown below if there are insufficient Funds:

- (i) Payment of ordinary and extraordinary Fund expenses and taxes, including the Fund Manager's commission and excluding the payment of the Administrator's commission for administering the Loans, except in the event of replacement as foreseen in part 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 interest on Series A1, A2 and A3G Bonds due and payable on previous Payment Dates and reimbursement to the State of the amounts paid to the Fund by drawdown of the Guarantee for the payment of interest on the Series A3G bonds guarantee and not returned on previous Payment Dates (pro rata).
- (iv) Payment of interest on series A1, A2 and A3G bonds (pro rata) accrued since the previous Payment Date.
- (v) Payment of the interest on Class B bonds, save in case of down-ranking to (tenth) (x) place of this payment in the order of priority.

If the complete redemption of the Class A Bonds and the repayment of the amount owed to the State through draw downs of the state warranty for the redemption of the Series A3G had not occurred or was not going to occur on the corresponding Payment Date, this payment shall be down-ranked to the (x) (tenth) place in the event that on the last day of the natural month preceding the corresponding Payment Date the accumulated sum of defaulted Loans is greater 15% than the initial amount of the bond issue.

- (vi) Payment of the interest on Class C bonds, save in case of down-ranking to (eleventh) (xi) place of this payment in the order of priority.

If the complete redemption of the Class A and B Bonds and the repayment of the amount owed to the State through draw downs of the state warranty for the redemption of the Series A3G had not occurred or was not going to occur on the corresponding Payment Date, this payment shall be down-ranked to the (xi) (eleventh) place in the event that on the last day of the natural month preceding the corresponding Payment Date the accumulated sum of defaulted Loans is greater 11% than the initial amount of the bond issue.

- (vii) Payment of the interest on Class D bonds, save in case of down-ranking to (twelfth) (xii) place of this payment in the order of priority.

If the complete redemption of the Class A, B and C Bonds and the repayment of the amount owed to the State through draw downs of the state warranty for the redemption of the Series A3G had not occurred or was not going to occur on the corresponding Payment Date, this payment shall be down-ranked to the (xii) (twelfth) place in the event that on the last day of the natural month preceding the corresponding Payment Date the accumulated sum of defaulted Loans is greater 8% than the initial amount of the bond issue.

- (viii) Payment of the interest accrued by the Series E bonds save in case of down-ranking to (xiii) (thirteenth) place of this payment in the order of priority.

If the complete redemption of the Class A, Series B, Series C and Series D Bonds and the repayment of the amount owed to the State through draw downs of the State Warranty for the redemption of the Series A3G had not occurred or was not going to occur on the corresponding Payment Date, this payment shall be down-ranked to the (xiii) (thirteenth) place in the event that on the last day of the natural month preceding the corresponding Payment Date the accumulated sum of defaulted Loans is greater 5.5% than the initial amount of the bond issue.

- (ix) For the amortization of the principle of the Bonds (**“Retention for Amortization”**) by an amount that is equal to the positive difference that exists on the final day of the month prior to the current Payment Date between (i) the balance of the outstanding principle of the bond issue, increased by the amount pending repayment to the State for State Warranties for the amortization of the A3G Series, and (ii) the outstanding balance of the non-defaulted Loans.

Depending on the liquidity that exists on each Payment Date, the amount of the available Funds effectively applied to the retention for redemption (the **“Funds Available for Redemption”**) shall be applied in accordance with the distribution rules of the Funds available for redemption that are established in section 4.9.4.5 of the Securities Prospectus.

- (x) Payment of the interest accrued by the Series B Bonds when this payment is down-ranked to (v) (fifth) place in the Payment Priority Order as established in the said section.
- (xi) Payment of the interest accrued by the Series C Bonds when this payment is down-ranked to (vi) (sixth) place in the Payment Priority Order as established in the said section.
- (xii) Payment of the interest accrued by the Series D Bonds when this payment is down-ranked to (vii) (seventh) place in the Payment Priority Order as established in the said section.
- (xiii) Payment of the interest accrued by the Series E Bonds when this payment is down-ranked to (viii) (eighth) place in the Payment Priority Order as established in the said section.
- (xiv) Retention of an amount that is sufficient to maintain the minimum level of the reserve Fund required on the corresponding Payment Date.
- (xv) Payment of interest on the Reserve Fund Loan.
- (xvi) Repayment of the principal on the Reserve Fund Loan.

- (xvii) Payment of the amount due as a result of the termination of the Financial Swap, except under the circumstances indicated in (ii) above.
- (xviii) Payment of the interest on the Loan for Initial Expenses.
- (xix) Repayment of the principal on the Loan for Initial Expenses.
- (xx) Payment of the administration commission.

Should the Administrator of the Loans be replaced by another entity, the administration commission payment, which shall accrue in favour of the new third-party administrator, shall occupy the position contained in previous order (i), together with the remaining payments included there.

- (xxi) Financial Brokerage Margin 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 rating agencies 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 Bonds.
- 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 Mortgage Loans and those derived from recovery actions that are necessary.
- c) Expenses for auditing and legal advice;
- d) Any remaining initial costs of the formation 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.

Available Funds for Redemption: Origin and Application.

1. Origin.

The Funds available for redemption shall be the amount of the retention for redemption applied in the (ix) (ninth) order of the Funds are available on the corresponding Payment Date.

In addition, and not forming part of the Funds available for redemption, the Fund shall have an amount available through the drawdown of the State Warranty that was paid from the previous Payment Date until the corresponding Payment Date, targeted solely at the redemption of the principal of the A3G Bond series.

2. Distribution of Funds Available for Amortisation in each Series.

The rules of distribution of the Funds available for redemption are shown in section 4.9.4.5 of the Securities Prospectus.

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:

- When a priority order has debits for different items, the remainder of the available Funds will be applied on a prorated basis to the amounts required of each

one, distributing the amount applied to each item based on the order of the maturity of demandable debits. Notwithstanding the above, the amounts received against the State Warranty shall only be used on the next Payment Date immediately following receipt to cover shortages in the payment of principal and interest on the A3G Series.

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

– The amounts that remain unpaid shall 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 A1, A2 and A3G 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 settle the Fund when the Fund is settled on the Statutory Maturity Date or the Payment Date on which the Early Settlement takes place as provided for in parts 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**”): In the following order of payment priority (hereinafter “**Priority of Settlement Payments Order**”):

- (i) Reserve to cover the final tax, administrative or advertising expenses at the time of settlement.
- (ii) Payment of ordinary and extraordinary Fund expenses and taxes, 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 A1, A2 and A3G Bonds due and not paid on previous Payment Dates and accrued from the previous Payment Date and reimbursement to the State of the amounts paid to the Fund by drawdown of the Guarantee for the payment of interest on

the Series A3G bonds guarantee and not returned on previous Payment Dates (pro rata).

- (v) Redemption of the principal of the A1, A2 and A3G series bonds and repayment to the State of the amounts paid to the Fund through the drawdown of the State Warranty for the redemption of principal of the series A3G bonds in the same order of obligation shown in section 4.9.3.5 of the Securities Prospectus, save for the concurrence of the circumstance set forth under heading 2.2 of the distribution of Funds available for redemption, in which case the same order set forth in the aforementioned heading 2.2 shall apply.
- (vi) Payment of the interest accrued by the Series B Bonds
- (vii) Amortisation of the principal of the Series B Bonds.
- (viii) Payment of the interest accrued by the Series C Bonds.
- (ix) Amortisation of the principal of the Series C Bonds.
- (x) Payment of the interest accrued on the Series D bonds
- (xi) Amortisation of the principal of the Series D Bonds.
- (xii) Payment of the interest accrued on the Series E bonds
- (xiii) Amortisation of the principal of the Series E Bonds.
- (xiv) In the event that a line of credit is arranged for the final redemption of the bond issue in accordance with the provisions set forth in section 4.4.3 (iii) of the registration document, payment of the accrued interest and reimbursement of the principal of the line of credit set up.
- (xv) Interest accrued on the Reserve Fund Loan.
- (xvi) Payment of the principal of the Reserve Fund Loan.
- (xvii) Interest accrued on the Loan for Initial Expenses.
- (xviii) Repayment of the principal of the Loan for Initial Expenses.

- (xix) Payment of the amount payable by the Fund for the settlement of the interest swap, except under the circumstances described in (iii) above.
- (xx) Payment of the Administrator's commission for administering the Loans.
- (xxi) 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.

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, in representation and for the account of the Fund, will sign an Interest Rate Swap with Banco Pastor, S.A. in accordance with the Framework Financial Operations Contract (Contrato Marco de Operaciones Financieras) of the Spanish Banking Association (the “**Framework Agreement**”), the most relevant characteristics of which are described below.

Under the Interest Swap Agreement, the Fund will make payments to Banco Pastor, S.A. calculated on the interest rates of the Loans and in exchange Banco Pastor, 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 Pastor, S.A.

- Settlement dates of the financial swap: the settlement dates will coincide with the Bond Payment Dates.
- Notional Amount: On each settlement date, this shall be the average daily balance of the Loans that are up to date with payments during the three calendar months prior to the aforementioned settlement date.

Under exceptional circumstances, the notional amount for the first settlement date shall be the average balance of the Loans that are not up to date with payment during the period between the Fund Formation Date (inclusive) and the last day of the month prior to the first Payment Date (inclusive).

- Settlement Period for Party A: The days that have effectively elapsed during the three calendar months prior to the Settlement Date in progress.

Under exceptional circumstances, the first settlement period will have a duration equivalent to the days elapsed between the Fund Formation Date (inclusive) and the final day of the month prior to the first Payment Date (inclusive).

- Variable Amount of Part A: It shall be equal to the payments through interest of the Loans received by the Fund and deposited in the Treasury Account during the settlement period of Part A.
- Part A payments: On each Settlement Date, Part A shall pay Part B the positive difference, if any, between the Variable Amount of Part A and the Variable Amount of Part B determined for the Settlement Period for Part A and the Settlement Period for Part 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, Part B shall pay Part A the positive difference, if any, between the Variable Amount of Part B and the Variable Amount of Part A determined for the Settlement Period for Part B and the Settlement Period for Part A immediately preceding it.
- Interest rate payable by Party B: For each settlement period of Party B this shall be the average rate of nominal interest of all the bonds weighted by the outstanding balance of principal of each Series A1, A2, A3G, B, C, D and E, plus a

margin of 0.85%, plus, in the event of replacement of Banco Pastor as administrator of the Loans, the percentage (%) that results from dividing the commission for the rendering of services by the new administrator by the Notional Amount.

- 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 A2 or P1 for long-term debt or short-term debt respectively, in accordance with the Moody's rating scale or A-1

for the short-term debt according to the rating scale of S&P, Party B irrevocably assumes the commitment to choose one of the following options within a maximum period of ten (30) business days as from the date on which either of these circumstances occurs, following previous notification to the Rating Agency, in order to maintain the ratings assigned to each one of the series by the Rating Agency (i) that a third entity with a rating for its unsubordinated and unsecured debts equal to or higher than A2 and P1 with regard to its long-term debt and short-term debt respectively, according to the Moody's rating scale, and equal to or higher than A-1 with regard to its short-term debt in accordance with the S&P rating takes over its contractual position and replaces it on the interest swap contracts or, if applicable, by virtue of a new swap contract guarantees compliance of its contractual obligations of the financial swap contract; (ii) that a third-party entity with the same ratings required for option (i) shown above guarantees compliance with the contractual obligations of Party B in the financial swap contract, or (iii) lodges a cash or securities deposit in favour of the Fund and in guarantee of compliance with the contractual obligations of Party B, in accordance with the market value of the interest swap that covers at least the replacement value of the interest swap in order not to jeopardise the rating awarded to the bonds by the rating agencies. All costs, expenses and taxes incurred in the fulfilment of the preceding obligations shall be payable by Party B. The calculation of the market value for S&P will be made according to the updated S&P criteria published at any given moment.

Subsequent Modification of Part B's Credit Rating

In the event of a fall of the rating awarded to the unsecured and unsubordinated debt of Party B below A3 for long-term debt in accordance with the Moody's rating or below P-2 or A-3 for short-term debt according to the rating of Moody's and S&P respectively, or the Moody and/or S&P qualifications were retired, options (i) and (ii) set forth in previous section 8 (a) would be the only feasible options to avoid a fall in the ratings granted to the bonds by the rating agencies, with a cash or securities deposit lodged in accordance with point (iii) of the previous paragraph from the day on which any of these circumstances occurred until either of the aforementioned options (i) and (ii) is exercised within a maximum deadline of 10 calendar days. All costs, expenses and taxes incurred in the fulfilment of the preceding obligations shall be payable by Party B.

The occurrence, if applicable, of the early termination of the Swap Contract will not in itself constitute a cause for Early Amortisation of the Bond Issue or for Early Settlement of the Fund referred to in sections 4.4.3 of the registration document and 4.9.2 of the Securities Prospectus, save in the event that in conjunction with other events or circumstances relating to the equity situation of the Fund, a substantial or permanent alteration of its financial balance occurs.

The interest and principal payments to the investors in Series A3G Bonds are also contingent upon the State Warranty, the essential terms and conditions of which are described below and summarised in the Securities Prospectus:

3.4.7.2. State Warranty

The Ministry of Economy and Finance, via a Ministerial Order, has granted a warranty to the Fund by virtue of which the Spanish State will secure payment of the financial obligations actionable against the Fund derived from the Series A3G Bonds in the amount of fifty million four hundred thousand euros (50,400,000) euros, under the concept of reimbursement of the principal and payment of the ordinary interest, with a waiver to the benefit of discussion established in article 1830 of the Civil Code.

The series A3G bonds will be assigned a provisional rating of Aaa by Moody's and AAA by S&P on the formation date. These ratings were assigned by the rating agencies without considering the Spanish government's guarantee in their analyses.

General Features of the State Warranty

The State Warranty shall exclusively cover the principal and the interest corresponding to the A3G Bond series.

The State Warranty shall remain in force and with full effect until total satisfaction of the financial obligations deriving from the bonds belonging to the A3G series. In any event, the State Warranty shall expire on 15 July 2045, or if said date is not a Business Day, on the first Business Day immediately after.

The effectiveness of the State Warranty is conditional on (i) the registration of this Prospectus with the CNMV, (ii) the granting of the Public Deed of Formation of the Fund and its registration in the CNMV register, (iii) the confirmation as final by the Rating Agencies, prior to the opening of the Subscription Period, of the provisional rating granted to each of the Series (iv) that it does not cause the termination of the Management, Underwriting and Brokerage of the Bonds Issue Contract, and (v) the submission of the documents mentioned in the next paragraph

The Fund Manager must submit to the General Directorate for Financial Policy and Treasury: (i) a copy of the Prospectus registered with the CNMV; (ii) an authorised copy of the Deed of Formation of the Fund registered with the CNMV; (iii) a certificate issued by Banco Pastor, S.A. declaring that the Loans meet the conditions of the

Framework Collaboration Agreement annexed to the Order of 28 December 2001, in the version amended through Order ECO/1064/2003, dated 29 April, at least 90% of which are loans granted to small and medium enterprises according to the definition of the European Commission (Recommendation of 6 May 2003 which replaces the Recommendation dated 3 April 1996, (iv) a copy of the letters from the Rating Agencies notifying the final ratings assigned to each Bond Series, and (v) an authorised copy of the deed of disbursement of the Bonds subscription executed by the Fund Manager

The constitution and granting of the State Warranty shall not incur any commission.

The Fund Manager shall notify the General Directorate for Financial Policy and Treasury on each Payment Date of the Bonds of the A3G Bonds, the outstanding balance of the Secured Series, and, also at the end of each tax year, an estimation of the financial charge of the Secured Series for the following tax year. The information set forth in Resolution dated 23 June 2005 must also be sent after each Payment Date, under the conditions and with the content set forth therein.

Execution of the State Warranty

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

The State Warranty shall be called under the following circumstances for the amounts determined in each case:

1. On any Payment Date or on the Final Maturity Date or the date of the Early Settlement of the Fund on which the available Funds or the Funds available for settlement, whichever applies, are insufficient to pay the interest due on the guaranteed A3G Series Bonds, once all payments have been made according to the Payment Priority Order and the Settlement Payment Priority Order.

In this case, the Warranty will be called for an amount equal to the difference between the amount of the interest due and payable on the A3G 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 secured A3G Series as a result of the Warranty being called shall be used for the payment of such interest on the legal maturity date or when the early settlement of the Fund takes place, without subjection to the Settlement Payment Priority Order.

2. On any Payment Date other than the legal maturity date or the early settlement date or when the early settlement of the Fund takes place on which the Funds available for amortisation are insufficient to redeem the A3G Series Bonds in the corresponding amount, pursuant to the rules for the distribution of the Funds available for amortisation among each Series due to an amortisation deficit.

In this case, the Warranty will be called for an amount equal to the difference between the amount of the principal of the Series A3G Bonds which would have been redeemed had there been no amortisation deficit and the amount of the Funds available for amortisation actually applied on the Payment Date in question.

The amounts received by the Fund to cover the amortization of the Series A3G Bonds as a result of the Warranty being called shall be used for the payment of such amortization on the following Payment Date, without subjection to the Settlement Payment Priority Order.

3. On the legal maturity date or early settlement date of the Fund, when the Funds available for settlement are insufficient to redeem the secured A3G Series Bonds in their entirety.

In this case, the State Warranty will be called for an amount equal to the difference between the outstanding balance of principal on the A3G Bonds 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 to cover the amortization of the secured Series A3G Bonds as a result of the State Warranty

being called shall be used for the payment of such amortization, as applicable, on the legal maturity date or early settlement date of the Fund, without subjection to the Settlement Payment Priority Order.

Each time the State Warranty is called, the Fund Manager will notify the Directorate General of the Treasury and Financial Policy in writing, declaring the existence of a situation in which the Funds available for amortisation or the Funds available for settlement are insufficient pursuant to the preceding point and indicating the amount claimed for each item.

The payment of the amounts requested under the State Warranty will be made, following verification by the Directorate General for the Treasury and Financial Policy, within a maximum period of ninety (90) days counting from the date of the reception of the written requirement of the Fund Manager by means of a payment into the Amortisation Account.

By virtue of this period for payment to the Fund of the amounts requested every time the State Warranty is called to pay the interests demandable and/or repayment of the principal of the A3G Series in accordance with the provisions set forth herein, payments of these amounts to the A3G Bondholders cannot take place on the corresponding Payment Date and shall be paid to them under all circumstances on the Payment Date immediately following the day on which they were paid to the Fund by the Directorate General of the Treasury and Financial Policy.

The amounts paid by the State under the State Warranty will constitute an obligation of the Fund in favour of the State. The refund of the amounts drawn against the State Warranty, whether they have been used for the payment of interest or for the reimbursement of the principal of the Bonds of the secured A3G Series Bonds, will be made in each of the following Payment Dates, until its total refund, and it will be charged to the Available Funds for settlement and the Available Funds for Amortisation, respectively, in accordance with the Payment Priority Order of the Fund and the Settlement Payment Priority Order, as applicable.

In the event that according to the above rules, on a Payment Date, the Fund, in addition to returning the amount withdrawn at the charge of the State Warranty, requests another amount to pay the interest or principal of the Series A3G Bonds, the net amount to be requested, or if applicable, returned to the State, will be calculated by the Fund Manager and applied.

3.4.7.3. Financial Brokerage Contract.

Finally, the Fund Manager, on behalf of the Fund, will pay Banco Pastor, S.A. for the financial brokerage activities performed which have enabled the definitive financial transformation of the Fund's activity, the acquisition of the non-Mortgage Loans, the subscription of the Mortgage Transfer Certificates and the satisfactory rating of each Bond Series.

The remuneration paid to Banco Pastor, S.A. under this heading consists of a variable and subordinate amount that is equal to the difference between the annual income and expenses, according to the Fund's official accounting records, less any negative tax bases from previous tax years which may be used to offset the accounting results of the tax 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 tax 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 Pastor, S.A.

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

The Originator and Assignor of the securitized loans is Banco Pastor, S.A.

Banco Pastor, S.A., has its registered office at Calle Cantón Pequeño, número 1, 15003 A Coruña (Spain).

Significant Economic Activities of Banco Pastor, S.A.

The Banco Pastor, S.A. financial group operates primarily in banking, although it also has interests in the fields of insurance, investment and pension Fund management, financial brokerage, asset management and brokerage on cash, capital and currency markets.

What follows is financial information for Banco Pastor, S.A. referring to the second quarter of 2006 and a comparison with the year before. The information has been prepared pursuant to International Financial Reporting Standards (hereinafter “**IFRS**”) applicable according to EC Regulation 1606/2002 and the Bank of Spain's Circular 4/2004.

BALANCE SHEET (in thousands of euros)

	30.06.2006	30.06.2005	Variation (in %)
Total Assets	21,845,817	18,735,732	16.60%
Credit Investment	19,836,962	16,680,293	18.92%
Customer resources	17,456,381	16,267,591	7,31%
Shareholders' Equity	1,069,330	996,213	7,34%

INCOME STATEMENT (in thousands of euros)

	30.06.2006	30.06.2005	Variation (in %)
Brokerage margin	221,965	193,974	14.43%
Ordinary margin	312,776	275,761	13.42%
Operating margin	175,723	148,834	18.07%
Profit before taxes	122,167	99,140	23.23%
Group profits	84,091	63,821	31.76%

STOCK AND MARKET VALUE DATA

	30.06.2006	30.06.2005(**)	Variation (in %)
Quoted price (in euros)	10.25	8.25	24.24%
Market value (in thousands of euros)	2,682,276	2,158,905	24.24%
Group profits	84,091	63,821	31.76%
Book value per share (in euros)	4.09	3.81	7.34%
PER (Price/earnings; times) (*)	15.95	16.91	-5.71%
P/VC (price/book value ratio)	2.51	2.17	15.67%

(*) Stock market capitalisation / Average profits estimated by analysts

(**) Data for June 2005 have been adjusted via a 4*1 split

RELEVANT RATIOS (%)

	30.06.2006	30.06.2005	Variation (in %)
ROE(attributed return / average shareholders' funds)	17.2	13.9	23.74%
ROA (net profit / average total assets)	0.82	0.74	10.81%
Efficiency ratio	0.44	0.47	-5.81%
Efficiency ratio	0.42	0.43	-4.24%
Delinquency rate	0.76	0.59	28.81%
Coverage rate	261.88	335.61	-21.97%

CAPITAL RATIOS (BIS REGULATION) (%)

	30.06.2006	30.06.2005	Variation (in %)
Total (Ratio BIS)	12.58	11.62	8.26%
TIER 1	7.28	6.49	12.17%

ADDITIONAL INFORMATION

	30.06.2006	30.06.2005	Variation (in %)
Number of shares (thousands)	261,685	65,421	0.00%
Number of shareholders	72,443	74,060	-2.18%
Number of employees	4,277	3,956	8.11%
Number of domestic offices	571	563	1.42%

3.6. YIELD AND/OR RETURN ON SECURITIES RELATED TO OTHERS THAT ARE NOT THE ASSIGNOR'S ASSETS

Not applicable.

3.7 ADMINISTRATOR, CALCULATION AGENT OR SIMILAR**3.7.1. Management, Administration and Representation of the Fund and the Bondholders.**

"GC FTPYME PASTOR 4, 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 GC FTPYME PASTOR 4 Fund pursuant to the provisions of Royal Decree 926/1998 of 14 May which regulates asset securitization Funds and the managers of asset securitization 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 in the terms set out in the Deed of Formation and the 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 Rating Agencies are notified and that neither the interests of the Bondholders nor the ratings assigned by the Rating Agencies are 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 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 Rating Agencies are notified and that neither the interests of the Bondholders nor the ratings assigned by the Rating Agencies are jeopardised. In particular, should the Assignor default on its obligations as the

Administrator of the Loans, the Fund Manager will take the measures necessary to ensure the proper administration of the Loans.

- (viii) Issue the pertinent instructions to the Payment Agent in relation to the Amortisation Account and, where applicable, the Surplus Account, and ensure that the amounts deposited therein earn the yields agreed in the respective contracts.
- (ix) 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.
- (x) 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.
- (xi) Issue the pertinent instructions in relation to the State Warranty.
- (xii) Certify to the Directorate General of the Treasury and Financial Policy and the Directorate General of SME Policy on each Payment Date the outstanding principal of the A3G Series Bonds and, if applicable, the early amortisation dates and non-preset amounts affecting the balance of the outstanding principal of the A3G Series Bonds.
- (xiii) Appoint and, if necessary, replace the Fund auditors with the prior approval of the CNMV if required.
- (xiv) Prepare and forward any information reasonably requested by the Rating Agencies, the CNMV or any other supervisory body.
- (xv) 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.
- (xvi) 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.
- (xvii) 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 redeemed on each Payment Date.

(xviii) Exercise the rights inherent to the ownership of the Non-Mortgage Loans and the Mortgage Transmission Certificates acquired by the Fund.

(xix) To provide the Bondholders, CNMV and Rating Agencies 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 Fund Manager 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 ratings assigned to the Bonds by Rating Agencies 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 Rating Agencies of the substitution.

In the Event 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) If, 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 will be redeemed 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: (i) may not involve any additional cost or expense for the Fund (ii) must be legally permissible (iii) must not result in a downward adjustment of the rating assigned to each Bond Series by Rating Agencies and (iv) must be notified to the CNMV, obtaining its prior consent if legally required. However, in the event of subcontracted or delegated services the Fund Manager shall not be released or exonerated from the responsibilities assumed in the Deed of Formation which are legally ascribable to or demandable from it.

3.7.1.5. Remuneration of the Fund Manager

In consideration for the functions to be performed by the Fund Manager, the Fund will pay it an administration commission composed of:

- i) An initial commission, included in the initial expenses of the Bond formation, payable on the date of disbursement, and
- ii) A periodic commission equal to an annual 0.015% which shall accrue on the days that effectively elapse from the date of formation of the Fund until the date of extinction of the same, and shall be paid quarterly in arrears on each Payment Date, calculated on the outstanding balance of the Bonds on the determination date immediately prior to the corresponding Payment Date. The periodic commission corresponding to the first Payment Date shall accrue from the Fund formation date and shall be calculated on the amount of the Bond issue. The periodic commission on each Payment Date may not be less than 6,000 euros or more than 25,000 euros.

It will be calculated using the following formula:

$$R_t = (0.015\% * N_i) * (d_i / 360)$$

where:

N_i = is the outstanding balance of the principal of 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 hypothetically on a 90-day quarter would be equal to:

$$Rt = (0.015 / 100 * 630,000,000) * (90 / 360) = 23,625.00 \text{ euros}$$

Whereby **25,000.00** > **23,625.00**, the periodic commission totals **23,625.00** euros

Said commission shall be understood as gross, in the sense that it shall include any direct or indirect tax or withholding applicable thereto.

If the Fund Manager is replaced as provided for in the next section, the payments mentioned therein may be modified as a consequence of the selection of a replacement Fund Manager, but only after the new conditions are agreed with the Assignor.

3.7.2. Administration and Custody of the Securitised Assets

Banco Pastor, S.A., as the Assignor of the loans to be acquired by the Fund pursuant to the provisions of Article 2.2.b) of Royal Decree 926/1998 and in respect of the Mortgage Transfer Certificates in articles 61.3 of Royal Decree 685/1982, shall continue to be responsible, as the Fund's agent represented by the Fund Manager, for the administration and management of the loans (hereinafter, the "**Administrator**"). The relationship between Banco Pastor, S.A. and the Fund, represented by the Fund Manager, inasmuch as the custody and administration of the loans and the deposit of the Mortgage Transfer Certificates are concerned, is regulated in the Administration Agreement.

Within the framework of its mandate, Banco Pastor, S.A. may take any actions it considers reasonably necessary or convenient, employing the same diligence and procedures to recover the due and unpaid amounts of the loans as it would were the credits rights part of its own portfolio. To this end, it may take the habitual actions in this type of situation.

The Administration, by reason of its mandates, undertakes as follows:

- (i) To exercise the administration and management of the Loans acquired by the Fund in the terms of the regime and ordinary procedures of administration and management set forth in part 2.2.7. of this Supplemental Addendum and **Annex 10** of the Deed of Formation.

- (ii) To continue administrating the Loans, 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 loans. Under all circumstances it shall exercise an adequate level of skill, care and diligence in the provision of services within the bounds of that mandate.
- (iii) That the procedures that it applies and will apply for the administration and management of the Loans are and will continue to be in conformity with the applicable laws and legal regulations in force.
- (iv) To comply with the instructions which, if applicable, are given by the Fund Manager in accordance with the provisions set forth in the deed of incorporation and the Prospectus.
- (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.

The Administrator hereby waives the powers and privileges lawfully conferred upon it as the Fund's collections manager, as Administrator of the Loans and as repository of the corresponding contracts; specifically in accordance with the provisions of articles 1,730 and 1,780 of the Civil Code and 276 of the Commercial Code.

3.7.2.1. Regime and Ordinary Procedures of Administration and Management of the Loans

The succinct description and summary of the regime and ordinary procedures of administration and management of the Loans regulated through the Administration Contract is the following:

1. Custody of Deeds, Documents and Files

The Administrator will keep all deeds, contracts, documents, and data files relative to the Loans and will not abandon the possession, custody or control of same without prior written consent from the Fund Manager to that effect, except when a document is required to initiate proceedings for the demand of a Loan, or it is demanded by any other competent authority, informing the Fund Manager.

The Administrator will reasonably facilitate the access, at all times, to said deeds, contracts, 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, contracts and documents.

2. Collections Management

The Administrator will continue with the collection management of all amounts that should be satisfied by the Debtors deriving from the Loans, as well as any other concept including those that correspond to the property damage insurance contracts on the mortgaged property securing the Mortgage Loans. The Administrator shall exercise due diligence so that the payment that the Debtors should make is collected in accordance with the contractual terms and conditions of the Loans.

Payment by the Fund Administrator of the amounts received through the Loans that it administers shall be made in the manner described in part 3.4.5. above.

3. Setting the Interest Rate.

The Administrator will continue to set the adjustable interest rates as established in the loan agreements, making the pertinent notifications in this regard.

4. Information

The Administrator must periodically notify the Fund Manager of the information relating to the individual characteristics of each one of the Loans with regard to compliance by the Debtors of their payment obligations of the Loans, with regard to the situation of arrears, with regard to the changes made to the characteristics of the Loans and with regard to the actions of demanding payment in the case of arrears and of legal actions.

Likewise, in the event of non-payment, the Administrator must prepare and surrender whatsoever additional information reasonably requested by the Fund Manager with regard to the Loans or the rights derived from same.

5. Subrogation of the Loans

The Administrator will be authorized to allow substitutions in the position of the Debtor in the Loans contracts, exclusively in the cases where the characteristics of the new Debtor are similar to those of the old and they fit the criteria for the granting of the loans described in the corresponding memorandum governing the criteria for the granting of loans, annexed to the Fund Formation Deed and in part 2.2.7. of the Supplemental addendum, and providing that 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.

With regard to the Mortgage Loans, the Debtor may instigate the subrogation of the Administrator in the aforementioned Mortgage Loans under the protection of the provisions set forth in Law 2/1994. The subrogation of a new creditor in the Mortgage Loan and the resulting payment of the amount owed will produce the early amortisation of the Mortgage Loan and of the corresponding Mortgage Transfer Certificate.

6. Powers and Actions in Relation to the Renegotiation of the Loans.

The Administrator cannot voluntarily cancel the Loans or their guarantees for any reason apart from the payment of the Loan, surrender or compromise these, nor cancel in whole or in part or extend them, nor in general realise any other act that diminishes the legal effectiveness or economic value of the Loans or the guarantees, without prejudice to attending to the petitions of the Debtors with the same diligence and procedure that it would if the Loans were its own.

The Assignor shall be authorised, as Administrator of the loans and from the Fund formation date onwards, providing that the rating awarded to the Bonds is not jeopardised any way whatsoever, and this does not affect the payments to be made to the Fund in a negative fashion, and the Fund Manager is notified and the Fund Manager in turn notifies the Rating Agencies, to:

- i) Allow substitutions in the Loan contracts, exclusively in the cases where the characteristics of the new Debtor are similar to those of the old debtor and they fit the criteria

for the granting of the loans described in the corresponding memorandum governing the criteria for the granting of loans, annexed to the Fund Formation Deed and in part 2.2.7. of the Supplemental Addendum, and providing that the expenses derived from this modification are paid in their entirety by the Debtors. In this event, the Assignor shall issue a new multiple certificate which includes the subrogation carried out.

- ii) To agree amendments to the interest rates and the final maturity of the loans with the debtors, in the manner set forth in the following points.

a) Renegotiation of the Applicable Margin for Determining the Adjustable Interest Rate

The rate of interest on the loans may be renegotiated subject to the following rules and restrictions:

1. In no case will the Administrator be able to open renegotiations of the interest rate that could result in a decrease in the interest rate applicable to a Loan on its own initiative, without a request from the Debtor. The Administrator, without encouraging renegotiation of the interest rate, should act in relation to said renegotiation with the interests of the Fund ever present.
2. Without prejudice to the provisions determined in the following section 3, the Administrator may renegotiate the clause of the rate of interest of the Loans in conditions that are considered to be market conditions and are not different to those that the Administrator would apply in the renegotiating or in the granting of its credits and loans at either a fixed or variable rate of interest. For these purposes, the rate of interest shall be taken as the market rate of interest offered by Administrator in the Spanish market for loans and credits extended to SMEs and for a similar amount and featuring conditions that are similar to the Loan.
3. In no case can the possible renegotiation of the interest rate applicable to a loan be carried out in the event that (i) the modification is to a variable rate of interest with a reference index

for determination other than the Euribor or Mibor or of the rates or reference index of the mortgage market set forth in section 3 of regulation 6b of the Bank of Spain Circular 8/1990, dated 7 September, and (ii) that the margin or average differential weighted by the balance pending maturity of the loans pending repayment is less than 60 basic points over the Euribor at three (3) months.

The Fund Manager, on behalf of the Fund, may at any time during the term of the life of the Fund, cancel or suspend the Administrator's authority to modify the interest rate.

b) Extension of the Maturity Date

The date of final maturity or of the last amortisation of the Loans can be extended subject to the following rules and limitations:

- i) In no case will the Administrator be able to begin by its own initiative, that is, without being by request of the Debtor, the modification of the final due date of the Loan, from which could result the extension of the same. 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 amount that is the sum of the capital or principal of the Loans assigned to the Fund over which a deadline extension occurs shall not exceed 10% of the initial capital or principal of all the Loans assigned to the Fund.
- iii) The extension of the due date for any particular Loan may be carried out so long as the following requirements are met:
 - (a) In all cases, the frequency of the instalment payments of the capital or principal of the Loan is maintained or increased, while maintaining the same amortization system.
 - (b) That the new final due date or date of final amortization shall be 31 May 2041 at the latest.
 - (c) That there will have been no delay in the payment of due debits greater than ninety (90) days during the last six months prior to the extension of the repayment Date.

The Fund Manager, on behalf of the Fund, may at any time during the term of the life of the Fund, cancel or suspend the Administrator's authority to modify the interest rate.

When any renegotiation of a Loan 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 foreseen for the updating of the Loans conditions.

The contractual documents that document the novation of the renegotiated Loans will be entrusted with the Administrator in conformity to that established in paragraph 1 of the present section.

7. Action against Debtors in Case of Loan Default

Action in the Case of Delay

The Administrator will apply equal diligence and procedure to the claim for the amounts owed and not satisfied to the Assigned Assets as it would for the rest of the loans in its portfolio.

In the case of breach on the payment obligations by the Debtor, the Administrator will carry out the actions described in the Administration Contract, adopting to that effect the measures that it would normally take if the loans of its own portfolio were involved and acting in accordance with good banking use and practice for the collection of the amounts owed. In this case the Administrator shall be obliged to meet those expenses necessary to carry forth said actions, without prejudice to the right to reimbursement from the Fund. Such actions include all judicial or extrajudicial 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 Loans or by virtue of its 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 Loans. Such actions may be exercised either through the court enforcement proceedings set forth in articles 517 and following of the Civil

Procedures Act (Ley de Enjuiciamiento Civil) or the declarative proceedings contained in the Civil Procedures Act, whichever applies.

For the foregoing purposes and for the purposes of the provisions set forth in articles 581.2 and 686.2 of the Civil Procedure Act, 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 Pastor, 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, or even in its own name but on behalf 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 Loans pay its debt. Furthermore, Banco Pastor, 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 relation to the credit rights derived from the Loans, the Administrator should, in general, present an executive or declarative demand, whichever applies as indicated in part 3.7.2 of this Supplemental addendum, if during a period of six (6) months, the Assigned Debtor of a Loan 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 promise of payment satisfactory for the interests of the Fund. The Administrator, in any case, should proceed immediately to the presentation of the executive or declarative demand, whichever applies, if the Fund Manager, in representation of the Fund, and the preliminary analysis of the specific circumstances, deem it appropriate.

If six (6) months have elapsed from the earliest date of default, without the Debtor resuming the payments or without restructuring of same, and the Administrator has failed to present an executive or declarative demand, whichever applies according to part 3.7.2., without sufficient justification for such failure, then the Fund Manager, in representation of the Fund, will proceed immediately to the initiation of the judicial proceedings corresponding to the total demand of the debt.

The Administrator shall provide the Fund Manager with the information and documentation that this party reasonably requests with regard to the payment requirements, judicial actions and any other circumstances that affect collection of the amounts matured and pending payment of the loans.

In the event of the Mortgage Transfer Certificates pooled into the Fund, the Fund Manager, on behalf of the Fund, shall have the right to initiate the exercise of all the

powers set forth in article 66 of Royal Decree 685/1982. For these purposes, the Administrator, with regard to the Mortgage Loans that it administers, shall empower the Fund Manager to be able to request payment from the mortgage debtor on behalf of the Fund, all without prejudice to the other faculties that correspond to the Fund by virtue of article 66 of Royal Decree 685/1982.

The Fund Manager may likewise proceed with the Administrator in the process initiated by the latter for the purpose of claiming amounts that correspond to the Fund, and do so with equal rights. In this regard, and in so far as the Mortgage Transfer Certificates are concerned, this party may, under the terms set forth in current regulations, request the adjudication of the mortgaged property in payment of the loan. The Fund Manager will proceed to the sale of the adjudicated real estate within the briefest period possible in market conditions.

The Assignor shall have the right to first refusal for the purchase of those properties that had been mortgaged in guarantee of the Loans that it administers and which are awarded to the Fund, within a period of ten (10) business days from the date on which notification is given through the Fund Manager of the intention to transfer the property. The right of first refusal shall imply that the Assignor may acquire the property under the best terms that have been offered to the Fund Manager (which must have been carried out under market conditions).

In cases of breach by the debtors of the payment obligations deriving from the non-mortgage and Mortgage Loans, and for the execution of their personal or *in rem* guarantees, the Fund Manager, acting in representation of the Fund, shall have the right to take executive action against these debtors in accordance with the formalities set forth in the Civil Procedure Act. Likewise, and if permitted by the provisions set forth in the loan contracts or the ancillary surety documents, for the execution of the existing pledges, the Fund Manager may, if it deems such action fit and proper, proceed to execute these guarantees in accordance with the notary procedure set forth in article 1872 of the civil code, or in accordance with the procedure set forth in the ancillary surety documents, or be able to adopt any of the measures set forth in articles 11 and 12 of Royal Decree-Law 5/2005, dated 11 March, governing urgent reforms to boost productivity and enhance public procurement.

If required to execute the foregoing *in rem* guarantees (pledges), or for any other circumstance deemed appropriate, the Fund Manager, on behalf of the Fund as holder of the loan, shall be empowered to request Iberclear and the entities in charge of the bookkeeping of these securities or pledged properties to issue the certifications for the purpose of placing on record the registration of the pledge of the

aforementioned securities or goods in the name of the Fund. Specifically, and for merely illustrative purposes, the certifications referred to in articles 18 to 21 of Royal Decree 116/1992, dated 14 February, governing the representation of securities through book entries and offsetting and settlement of stock market operations may be requested.

8. Insurance on the Mortgaged Real Estate

The Administrator shall not take or fail to take any measure when such action would result in the cancellation of any fire or property damage insurance policy on the mortgaged real estate or that would result in the reduction of the amount to be paid in any claim on the same. The Administrator must exercise due diligence and, in any case, exercise the rights that the insurance policies or that the Loans confer on it with the object of maintaining said policies in force with full effect (or any other policy that grants equivalent cover) in relation to each Mortgage Loan and the corresponding property.

Whenever the Administrator becomes aware that the payment of the policy premiums has not been made by a debtor, it shall proceed to request the debtor to make payment of the same and may even take out fire and damage insurance on behalf of the debtor, if qualified to do so through the Mortgage Loan deed, on behalf of the Fund, as a last resort, contracting payment of the premiums without prejudice to obtaining repayment from the Fund of the amounts paid.

The Administrator, in case of an accident, should coordinate the collection of the indemnities derived from the fire and property damage insurance policies on the mortgaged property in accordance with the terms and conditions of the Loans and the policies themselves, depositing to the Fund, in its case, the amounts collected.

9. Compensation

In the event that any of the Debtors maintains a right to a cash credit, due and demandable against the Administrator and, as such it results that any of the Loans is offset, in whole or in part, against such right of credit, the Administrator will remedy such circumstance or, if it is not possible to remedy it, the Administrator will proceed to deposit to the Fund the amount that had been offset plus the interest accrued that would have corresponded to the Fund up until the day on which the deposit is made, calculated in accordance with the applicable conditions of the corresponding Loan.

10. Subcontracting

The Administrator may subcontract any of the services that it has agreed to provide by virtue of the foregoing and the Deed of Formation, except for those that cannot be delegated under applicable law. Said subcontracting shall not in any case suppose additional cost or expense to the Fund or the Fund Manager, and shall not cause a lowering of the rating granted to each of the Series of Bonds by the Rating Agencies. Notwithstanding any subcontracting or delegation, the Administrator will not be released or relieved through such subcontracting or delegation from any of its assumed liabilities or any liabilities that may legally attributed to it or demanded of it..

11. Notifications

The Fund Manager and the Assignor have agreed not to notify the debtors of the assignment. Notification is not a prerequisite for the validity of the assignment of the mortgage and non-Mortgage Loans or for the issue of the Mortgage Transfer Certificates.

However, the Assignor will shall grant the broadest powers allowed by law to the Fund Manager so that the latter may, on behalf of the Fund, notify the debtors of the assignment when it deems appropriate.

However, in the event of bankruptcy or any indication of receivership by the Bank of Spain, of settlement or replacement of the Administrator or if the Fund Manager considers it reasonably justified, the Fund Manager may require the Administrator to notify the debtors, and if appropriate the depositories of the goods or securities, as well as the guarantors, if applicable, of the transmission of the outstanding loans to the Fund and of the fact that the payments associated therewith will only release them from their obligations if made to the Amortisation Account open in the Fund's name. However, if the Administrator fails to notify the Debtors or other parties within three (3) business 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 and, if applicable, the depositories of the goods or securities and guarantors. The Fund Manager will issue the notice as quickly as possible.

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 entirety of the Loans acquired by the Fund are amortized, the obligations assumed by the Administrator are extinguished, or when the settlement of the Fund is concluded, 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 loans, of its obligations assumed as such or the occurrence of events which, in the opinion of the Fund Manager, constitute a danger or risk for 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 loans or (ii) demand that the Assignor subcontract or delegate its obligations to a third party who, in the Fund Manager's opinion, has the technical capacity needed to perform the 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, dissolution 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 of the loans provided that such replacement is permitted under the law.

The new Administrator of the loans will be appointed by the Fund Manager following consultation with the competent administrative authorities so that the ratings assigned to the Bonds by the Rating Agencies are not jeopardised. The Rating Agencies will be informed of the new appointment. The Fund Manager shall agree with the new Administrator on the amount to be received and against the Fund.

Voluntary replacement: If the law allows, the Assignor may ask to be replaced as the administrator of the loans. The Fund Manager shall authorise the replacement provided always that the Assignor has found a replacement to act as the Administrator and that the ratings assigned by the Rating Agencies will not be affected. The Rating Agencies shall be duly notified.

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 Agencies fail to 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 responsibility in relation to the obligations of the Fund Manager in its capacity as Administrator of the Fund and manager of the interests of the Bondholders, nor in relation to the obligations of the Debtors derived from the Loans, this without prejudice to the responsibilities assumed by it in the Formation Deed as Assignor of the Loans acquired by the Fund.

In accordance with that set forth in Royal Decree 926/1998 and in Law 19/1992, the Bondholders will run the risk of default on the Loans. As such, the Assignor does not assume any responsibility for the default of the Debtors, be it in the principal or in the interest that they could owe by virtue of the Mortgage Loans and/or the Non-Mortgage Loans.

The Administrator assumes the obligation to indemnify the Fund or the Fund Manager for any damage, loss or expense these may have incurred by reason of the breach by the Administrator of its obligations of administration, management and information of the loans and custody of the Mortgage Transfer Certificates.

The Fund Manager, in representation and on behalf of the Fund, as holder of the Mortgage Transfer Certificates, will have, in its case, executive action against Banco Pastor, S.A. as issuer of the Mortgage Transfer Certificates for the effectiveness of the due dates of the Mortgage Transfer Certificates for principal and interest, when the breach of the payment obligation on said concepts is not a consequence of the failure to pay by the Debtors of the Mortgage Loans. Furthermore, the Fund Manager shall be entitled to take the pertinent actions for the effectiveness of the due dates of the non-Mortgage Loans when the non-compliance is not the consequence of non-payment by the debtors of the non-Mortgage Loans, pursuant to the provisions of part 3.7.2. of this Supplemental addendum and the terms of this section.

Neither the Bondholders nor any other creditor of the Fund will have any right of action against the Assignor. Rather, the Fund Manager, as representative of the Fund that owns the loans, holds the rights to such actions.

3.7.2.4. Remuneration of the Administrator

In consideration for the custody, administration and management of the loans, the Administrator will be remunerated quarterly on each Payment Date in an amount equal to 0.01% of the outstanding balance of the loans on the Fund Payment Date immediately preceding. 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 is 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 Pastor, S.A. is the Fund's counterparty in the operations listed below.

(i) Amortisation Account: Guaranteed Interest Rate Contract (Amortisation Account), described in section 3.4.4.1. of this Supplemental Addendum.

(ii) Loan for Initial Expenses: Loan contract for initial expenses. Described in part 3.4.3.1. of this Supplemental Addendum

(iii) Loan for the Reserve Fund: Reserve Fund Loan Contract. Described in section 3.4.3.2. of this Supplemental Addendum.

(iii) Interest Swap: Finance interest swap contract. Description in part 3.4.7.1 of the Supplemental Addendum

(iv) Brokerage margin: Financial Brokerage Contract. Described in section 3.4.3.3. of this Supplemental Addendum.

The data on Banco Pastor, S.A. and its activities are contained in part 5.2 of the Registration Document and in part 3.1. of the Prospectus Schedule, respectively.

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 all the documentation and information necessary in accordance with the Deed of Formation available for the public.

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 fees of the Loans of the preceding Determination Date;
 - (ii) The estimated average residual life of the Bonds with the hypothesis of maintaining said early amortization real rate on the loan principal and with the rest of the hypotheses set forth in part 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 appropriate, the Bondholders shall be informed of the amounts of

interest and redemption accrued but unpaid due to a shortage of Available Funds, in accordance with the Priority Payment Rules.

The previous notifications will be likewise communicated to Iberclear, CNMV, Payment Agents and AIAF at least two (2) Business Days before each Payment Date.

3. Within four (4) months of the end of the accounting period, the Fund Manager will issue a report containing:
 - (v) A report on the portfolio of Loans pooled into the Fund, the balance of the Amortisation Fund and the Treasury Fund, the balance, the profit and loss account, the auditor's report and an annex specifying the accounting principles applied.
 - (vi) A management report containing the following:
 - a. Outstanding balance of the loans.
 - b. The percentage of early-redeemed loans.
 - c. The changes produced in the early-amortisation rate.
 - d. The amount of unpaid loans.
 - e. The amount of unpaid loans.
 - f. The average life of the loans portfolio.
 - g. The average rate of the loans portfolio.
 - h. The Outstanding Principal Balance of the Bonds.
 - i. If applicable, the amount of accrued and unpaid interest corresponding to the Bonds.
 - j. A detailed analysis of the evolution of the Fund and the factors that have affected these results.
 - k. 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 AIAF, within one month of the end of each quarter, on the evolution of the Loans incorporated into the Fund, as well as the balance of the Amortisation Account and, if applicable, the Surplus Account, and the relevant information on the Fund and the incorporated Loans.

All the information of a public nature regarding the Fund can be found at the address of the Fund Manager, on the web page of the Fund Manager (www.gesticaixa.com) and on the websites of the underwriting agencies, the AIAF 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 Period of Interest and the definitive margins applicable to each class of Bonds, 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 Bondholders of all relevant events that may take place in relation to the Bonds, the Fund and the Fund Manager itself, which could influence the trading of the Bonds 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 Bondholders 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 Rating Agencies 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.

The ordinary notifications shall be carried out through publication either in the daily newsletter of the AIAF Fixed Income Market, or any other that replaces this, or of similar characteristics, or through publication in a popular newspaper in Spain, whether of an economic/financial nature or of a general nature. Moreover, the Fund Manager or the Payment Agent may release such information or other information of interest to the Bondholders, through the financial-market dissemination systems such as Reuters, Bridge Telerate, Bloomberg or any other of similar characteristics.

2. Extraordinary notifications.

Extraordinary notifications must be made through publication in the AIAF bulletin or any other medium accepted by the market. These notifications shall be considered given on the date of publication and are valid for any day of the calendar, 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 agency, AIAF and Iberclear.

3. Notifications and other information.

The Fund Manager may make notifications and other information of interest to Bondholders available to them on 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 Rating Agencies.

The Fund Manager shall provide Rating Agencies periodically with information on the Fund's status and the performance of the Loans to enable them to track the Bond ratings and 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, in name and representation of GESTICAIXA, S.A., SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN and in his capacity as Director General of the same, signs this Prospectus on 3 November 2006.

GLOSSARY OF DEFINITIONS

“Administrator” means the entity responsible for managing and administering the Loans and for holding the titles representing the Mortgage Transfer Certificates on deposit pursuant to the Administration Contract, i.e., Banco Pastor, S.A.

“Rating Agencies” mean Moody’s Investors Service España, S.A. and Standard & Poor’s España, S.A.

“Payment Agent” means the entity that provides the financial services for the Bonds. The Payment Agent will be Banco Pastor, S.A.

“Early Redemption” means the redemption of the Bonds on a date before the Final 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.

“Auditor of the Fund’s Assets” means the auditor of the Loan portfolio, in this case, Deloitte, S.L.

“Fund Auditor” means Deloitte, S.L.

“State Warranty” means the Warranty granted by the State pursuant to the provisions of the Ministerial Order. The State Warranty will stand surety for payment of the principal and interest on the Series A3G Bonds.

“Class A Bonds” or “Class A” means the Series A1, A2 and A3G Bonds issued against the Fund for a total face value of five hundred and sixty seven million (567,000,000) euros, composed of 5,670 Bonds with a face value of one hundred thousand (100,000) euros each. They are provisionally rated Aaa by Moody’s and AAA by S&P.

“Class B Bonds” or “Class B” or “Series B” means the Class B Bonds issued against the Fund for a total face value of fifteen million eight hundred thousand (15,800,000) euros, composed of 158 Bonds with a face value of one hundred thousand (100,000) euros each. They are provisionally rated Aa2 by Moody’s and AA by S&P.

“Class C Bonds” or “Class C” or “Series C” means the Class C Bonds issued against the Fund for a total face value of fifteen million seven hundred thousand (15,700,000)

euros, composed of 157 Bonds with a face value of one hundred thousand (100,000) euros each. They are provisionally rated A2 by Moody's and A by S&P.

“Class D Bonds” or “Class D” or “Series D” means the Class D Bonds issued against the Fund for a total face value of eighteen million nine hundred thousand (18,900,000) euros, composed of 189 Bonds with a face value of one hundred thousand (100,000) euros each. They are provisionally rated Baa3 by Moody's and BBB by S&P.

“Class E Bonds” or “Class E” or “Series E” means the Class E Bonds issued against the Fund for a total face value of twelve million six hundred thousand (12,600,000) euros, composed of 126 Bonds with a face value of one hundred thousand (100,000) euros each. They are provisionally rated Ba3 by Moody's and BB by S&P.

“A3G Series Bonds” or “A3G Series” means the Bonds secured by the State and issued against the Fund for a total face value of fifty million four hundred thousand (50,400,000) euros, composed of 504 Bonds with a face value of one hundred thousand (100,000) euros each. They are provisionally rated Aaa by Moody's and AAA by S&P, which ratings are given without taking the warranty into account.

“A1 Series Bonds” or “A1 Series” means the Bonds secured by the State and issued against the Fund for a total face value of two hundred and sixty million (260,000,000) euros, composed of 2,600 Bonds with a face value of one hundred thousand (100,000) euros each. They are provisionally rated Aaa by Moody's and AAA by S&P.

“B2 Series Bonds” or “B2 Series” means the Bonds secured by the State and issued against the Fund for a total face value of two hundred and fifty-six million six hundred thousand (256,600,000) euros, composed of 2,566 Bonds with a face value of one hundred thousand (100,000) euros each. They are provisionally rated Aaa by Moody's and AAA by S&P.

“Bonds” means the Class A Bonds composed of the A1, A2 and A3G Series, Class B Bonds, Class C Bonds, Class D Bonds and Class E Bonds issued by the Fund.

“Assignor” or “Assigning Entity” indiscriminately means Banco Pastor, S.A., the Assignor of the Loans.

“Mortgage Transfer Certificates” means the negotiable securities whereby the Mortgage Loans are assigned to the Fund, pursuant to the provisions in the Fifth Additional Provision of Act 3/1994 in the drafted version contained in Act 44/2002, Act 2/1981 and Royal Decree 685/1982.

"CET" means Central European Time.

"Class" or **"Classes"** means the Bonds of the corresponding Class.

"CNAE" means National Classification of Economic Activities.

"CNMV" means the National Securities Market Commission.

"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 to be entered on the Date of Formation of the Fund between the Fund Manager, on behalf and representation of the Fund and Banco Pastor, S.A., which regulates the custody and administration of the Loans and the deposit of the titles representing the Mortgage Transfer Certificates.

"Payment Agency Contract" means the contract, to be entered on Date of Formation of the Fund between the Fund Manager, on behalf and representation of the Fund and Banco Pastor, S.A., which 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 Pastor, S.A., as the Payment Agent.

"Guaranteed Interest Rate Deposit Contract (Amortisation Account)" or "Amortisation Account Contract" means the guaranteed interest rate deposit contract (amortisation account) entered into between the Fund Manager, on behalf of and representing the Fund, and Banco Pastor, 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 Pastor, Merrill Lynch International S.A., CALYON, branch in Spain, as the Management Entities and Underwriters.

"Financial Brokerage Contract" means the contract to be signed between the Fund Manager, on behalf of the Fund, with Banco Pastor, S.A., through which the Fund Manager, on behalf of the Fund, shall pay Banco Pastor, through the financial brokerage procedure. On the first financial brokerage commission Payment Dates it

shall endow the reserve Fund until this reaches the amount of the initial reserve Fund.

“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 Pastor, S.A. whereby the Fund will make payments to Banco Pastor, S.A. calculated on the loan interest rates, in exchange for which Banco Pastor, 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 3.4.7 of the Supplemental Addendum.

“Loan Agreement for Initial Expenses” means the subordinate mercantile loan to be signed on the Fund formation date between the Fund Manager, on behalf of and representing the Fund, and Banco Pastor, S.A., for a total amount of (750,000.00) euros, to be used by the Fund Manager to pay for the initial expenses associated with the formation of the Fund and the issue of Bonds.

“Reserve Fund Loan Agreement” means the subordinate mercantile loan agreement to be signed on the Fund formation date between the Fund Manager, on behalf of and representing the Fund, and Banco Pastor, S.A., for a total amount of twelve million six hundred thousand (12,600,000) euros, to be allocated to the initial reserve Fund.

“Framework Agreement” means the Framework Collaboration Agreement with the Ministry of the Economy pursuant to Appendix II of the Order of 28 December 2001 provided for in Appendix 2 of the Resolution.

“Surplus Account” means, where applicable, an account opened in the name of the Fund Manager in the name of the Fund with a bank whose unsecured and unsubordinated short-term debt has a minimum rating of P-1 and A-1+, according to the rating scales of Moody’s and S&P, respectively, and in which the amount by which the balance of the amortisation account exceeds the amount equivalent to twenty percent (20.00%) of the outstanding balance of the Bond issue shall be deposited.

“Amortisation Account” means the financial account opened in the Fund’s name at the Banco Pastor, S.A. pursuant to the Guaranteed Interest Rate Deposit Contract (Amortisation Account) through which all Fund deposits and payments will be made.

“Amortisation Deficit” means the positive difference, if any, between (i) the Amortisation Withholding and (ii) the Funds Available for Amortisation.

“Credit Rights” means the credit rights pooled into the Fund’s assets derived from the Mortgage Loans and the Non-Mortgage Loans granted by Banco Pastor, S.A. to the Debtors.

“Debtors”, refers to the holders of the loans, which are companies with registered offices in Spain, 98% of which are small and medium sized enterprises that satisfy the Recommendation from the European Commission 2003/361/EC dated 6 May 2003.

“Business Day” means any day other than (i) a holiday in Madrid, (ii) a holiday in Barcelona, or (iii) a non-business day on the TARGET (*Trans European Automated Real-Time Gross Settlement Express Transfer System*) calendar.

“Distribution of Funds Available for Amortisation” means the applicable rules of the Funds Available for Amortisation for each one of the Classes, A, B, C and D, 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” means the securitization Bonds issued against the Fund for an amount of six hundred and thirty million (630,000,000) euros, composed of 6,300 Bonds with a face value of one hundred thousand (100,000) euros each, pooled into the following classes: Class A, composed of Series A1 and A3G, Class B, Class C, Class D and Class E.

“Issuer”, means Banco Pastor, S.A.

“Underwriting Entities”, refers to Banco Pastor, S.A. , Merrill Lynch and CALYON, branch in Spain.

“Underwriting Entities”, refers to Banco Pastor, S.A. , Merrill Lynch and CALYON, branch in Spain.

“Deed of Formation” means the public Deed of Formation of the Fund, the assignment to the Fund by Banco Pastor, S.A. of (i) Mortgage Loans by issuing

Mortgage Transfer Certificates and (ii) Non-Mortgage Loans, and the 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 a.m. (CET) and carried to three decimal positions.

A description of the main risk factors linked to the issuer, to the securities and to the assets that endorse the issue (hereinafter, the “**Risk Factors**”);

“**Formation Date**” means date on which the Formation Deed is signed.

“**Disbursement Date**” means 15 November 2006, the date on which the cash amount for subscription of the Bonds must be paid and on which the face value of the subscribed Non-Mortgage Loans and Mortgage Transfer Certificates must be paid.

“**Determination Date**”, means five business days before the Payment Date.

“**Interest Rate Fixing Date**”, means the second-to-last business day before each Payment Date. For the first Interest Accrual Period, the Reference Interest Rate shall be determined on the second Business Day prior to the Disbursement Date.

“**Settlement Date**” or “**Early Settlement Date**” means the date on which the Fund Manager liquidates the Fund as a consequence of any of the Early Settlement Circumstances enumerated in section 4.4.3 of the Registration Document.

“**Payment Date**” means January 15, April 15 October 15 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 15 January 2007.

“**Final Maturity Date**” means the day of the final ordinary or early maturity of the assets of the Fund, i.e. 31 May 2041, or the following Business Day if this is not a Business Day .

“**Legal Maturity Date**”, means the Payment Date following the date on which forty eight (48) months have elapsed following the maturity of the Fund assets with the

longest maturity, i.e. 15 July 2045, or on the following Business Day where it is not Business Day.

“Prospectus” or “Informative Prospectus” means the document composed of the Registration Document, the Supplemental Addendum, the Prospectus Schedule and the Glossary of Terms regulated in Regulation 809/2004.

“Reserve Fund” means the Fund set up as a guarantee mechanism to protect against losses due to the defaulted loans 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 allocated charges on the principle of the Loan for the Reserve Fund.

“Fund”, means the GC FTPYME PASTOR 4, FONDO DE TITULIZACIÓN DE ACTIVOS.

“Available Funds” means, on each Payment Date, the amounts allocated to meet the Fund’s payment obligations or withholdings that will have been deposited in the Amortisation Account.

“Funds Available for Redemption” means the amount available for redemption withheld in the (ix) (ninth) order of the payment priority rules on the corresponding Payment Date.

“Funds Available for Settlement”, means Funds Available in the Settlement Date

“Iberclear” means the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (IBERCLEAR), with its registered address at Las Rozas (Madrid), calle Tramontana, n° 2 bis.

“Total Amount of the Bond Issue” will be equal to or less than six hundred and thirty thousand (630,000,000) euros.

“Law 2/1981” means Law 2/1981 of 25 March on the Regulation of the Mortgage Market.

“Law 19/1992” means Law 19/1992 of 7 July on the Regulation of Real Estate Investment Funds and Companies and Mortgage Securitization Funds.

“Act 2/1994” means Act 2/1994 of 30 March on Subrogation and Modification of Mortgage Loans.

“Law 3/1994” means Law 3/1994 of 14 April which adapted Spanish legislation on the subject of credit entities to comply with the Second Directive on Banking Coordination and introduced relevant changes into the financial system.

“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 Final Maturity Date under the circumstances and pursuant to the procedures established in section 4.4.3 of the Registration Document.

“Financial Brokerage Margin” means the remuneration through the financial brokerage to be received by the Assigner, in accordance with the provisions set forth in the Financial Brokerage Contract

“AIAF Market” means the AIAF Fixed Income Market where the securities will be admitted for trading.

“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.

“Moody’s” means Moody’s Investors Services España, S.A.

“IFRS” means the International Financial Reporting Standards.

“The Minimum Level of the Reserve Fund” means the lesser of the following amounts:

- (i) The initial Reserve Fund.
- (ii) The higher amount between:
 - a) 4% of the balance of the outstanding amount of the Bond Issue.
 - b) Six million three hundred thousand (6,300,000) euros.

“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.

“Order of 28 December 2001” means the Order dated 28 December 2001, governing Promotion Agreements of Asset Securitisation Funds to favour business financing, amended by Order ECO/1064/2003, of 29 April.

“Payment Order Priority”, means the order in which the Available Funds shall be applied with respect to the payment or withholding obligations of the Fund.

“Settlement Payment Priority Order” means the order in which the Funds Available for Settlement will be applied to the payment or withholding obligations of the Fund on the Settlement Date.

“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 a.m.(CET) and 1 p.m. (CET) on 14 November 2006 business day prior to the disbursement date.

“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 Loans 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 Loans could be renegotiated and that the agreed interest rates could be reduced. It is regulated in the Interest Swap Contract.

“Loan for Initial Expenses” means the loan granted to the Fund by Banco Pastor, S.A., on the Date of Formation, under the Loan Agreement for Initial Expenses.

“Loan for Initial Expenses” means the loan granted to the Fund by Banco Pastor, S.A., on the Date of Formation, under the Reserve Fund Loan Agreement.

“Dubious Loans” means the loans that remain unpaid for more than ninety (90) days, excluding defaulted loans.

“Non-dubious Loans” means the loans that are up to date or which remain unpaid for less than ninety (90) days.

“Mortgage Loans” means the loans with mortgage guarantees selected and assigned by Banco Pastor, S.A. to the Fund by means of the issue of Mortgage Transfer Certificates by Banco Pastor, S.A. and subscription by the Fund.

“Non-Mortgage Loans” means the loans without mortgage guarantees selected and assigned by Banco Pastor, S.A. to the Fund. They are sold by Banco Pastor, S.A. and acquired by the Fund.

“Defaulted Loans” means the Loans where (a) the debtor has been declared insolvent, (b) are unpaid for a period equal to or greater than eighteen (18) months or (c) are classified as in default by the Fund Manager because there is reasonable doubt about their full repayment.

“Non-Defaulted Loans” means those Loans not included in the definition given above.

“Loans” means both mortgage and non-Mortgage Loans.

“SMEs” means small and medium enterprises.

“Royal Decree 685/1982” means Royal Decree 685/1982, of 17 March, which developed certain aspects of Act 2/1981, of 25 March, regulating the mortgage market, and certain aspects of Royal Decree 1289/1991, of 2 August, which modified certain articles of the former decree.

“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.

“Withholding for Redemption” means the amount that must be retained on each Payment Date and charged to the available Funds and which are in the (ix) (ninth) place in the priority order, targeted in full at the redemption of the Bonds and the

reimbursement to the State of the amounts paid for the repayment of the principal of the Series A3G by an amount equal to the positive difference that exists on the last day of the previous natural month preceding the corresponding Payment Date between (i) the balance of the outstanding principal of the Bond issue, increased by the amount pending reimbursement to the State for the execution of the State Warranty for redemption of the Series A3G, and (ii) the outstanding balance of the non-defaulted loans.

“Outstanding Balance of the Assets” means the outstanding capital of each one of the Mortgage Loans not paid into the Fund, not including default amounts.

“The Outstanding Balance of the Loans” on a specific date shall be the sum of the capital or principal pending maturity of the loan on that particular date and the capital or principal due but not yet paid to the Fund.

“Outstanding Balance of the Non-Defaulted Loans” means the sum of unmatured principal and the matured principal or capital not paid into the Fund of each one of the Non-Defaulted Loans on any given date.

“Services” means the ordinary system and procedures for the administration and management of the loans regulated by the Administration Contract.

“Series” means the Bonds of the Corresponding Series.

“Fund Manager” means GestiCaixa, SGFT, S.A.

“S&P”, means Standard & Poor España, S.L.

“Early Settlement Circumstances” are those enumerated in section 4.4.3 of the Registration Document.

“Swap” means Interest Rate Swap.

“Party B Interest Rate” means the average weighted nominal interest rate of the Bonds, weighted by the outstanding balance of each Series of Bonds, plus a margin of 85%, for each a settlement period of Banco Pastor, S.A.

“Interest Rate of Reference” means the three-month (3) EURIBOR, except for the first interest accrual period. Under exceptional circumstances, the Reference Interest Rate of the Bonds of each one of the Series for the first Interest Accrual Period shall be

determined by taking the EURIBOR rate at two months from maturity, established at 11:00 a.m. (CET time) of the second (2) business day immediately following the Disbursement Date.

“Nominal Interest Rate” means the interest rate of reference plus to the margin applicable to each Bond Series.

“IRR” means the internal rate of return as defined in section 4.10 of the Prospectus Schedule.

“Multiple Title” means the security title representing the Mortgage Transfer Certificates issued by Banco Pastor, S.A. on the Mortgage Loans.

“GC FTPYME PASTOR 4, ASSET SECURITISATION FUND”

SUPPLEMENT TO THE PROSPECTUS

1. The Fund

We refer to the Prospectus corresponding to the formation of the “GC FTPYME PASTOR 4, FONDO DE TITULIZACIÓN DE ACTIVOS” Fund, filed with the Official Registers of the National Securities Market Commission (CNMV) on 7 November 2006 (hereinafter, the “**Prospectus**”)

This document constitutes a supplement to the Prospectus of the GC FTPYME PASTOR 4, FONDO DE TITULIZACIÓN DE ACTIVOS operation, and was filed with the CNMV on 13 November 2006.

Mr Xavier Jaumandreu Patxot, acting in the name and on behalf of Gesticaixa, Sociedad Gestora de Fondos de Titulización, S.A. (hereinafter, the “**Fund Manager**”), the promoting entity of GC FTPYME PASTOR 4, FONDO DE TITULIZACIÓN DE ACTIVOS, and by virtue of the powers that were conferred upon him through the resolutions of the Board of Directors of the Fund Manager on 19 September 2006, hereby accepts responsibility for the content of this supplement (the “**Supplement**”) and declares that, as far as he is aware, this information accords with the facts and there is no omission that could affect the contents thereof.

2. Granting of the Deed of Formation and Issue of the Bonds

In accordance with the schedule laid down in the Prospectus, the granting of the Deed of Formation of the Bond Issue Fund took place on 10 November 2006.

3. Nominal interest rate of the bonds

The margins applicable to the Reference Rate of Interest for the determination of the Nominal Interest Rate of the Bonds are as follows:

Series A1: margin of **0.05%**

Series A2: margin of **0.14%**

Series A3G: margin of 0.01%

Series B: margin of 0.20%

Series C: margin of **0.29%**

Series D: margin of **0.53%**

Series E: margin of **2.40%**

The following is hereby placed on record with regard to the foregoing margins:

Section 4.8.1.6 of the Securities Prospectus registered on 7 November 2005 showed that the interest rate margin of the Bonds of the series would be set through common

agreement between the Managing Entities prior to 9.00 a.m. (C.E.T.) on the second business day before the Disbursement Date (viz., before 9.00 a.m. on 13 November 2006).

The margins for the different bond series were left as follows in the Prospectus:

- Series A1: margin encompassed between 0.03% and 0.04%, both inclusive.
- Series A2: margin encompassed between 0.12% and 0.13%, both inclusive.
- Series A3G: margin encompassed between 0.00% and 0.01%, both inclusive.
- Series B: margin encompassed between 0.15% and 0.28%, both inclusive.
- Series C: margin encompassed between 0.30% and 0.35%, both inclusive.
- Series D: margin encompassed between 0.55% and 0.60%, both inclusive.
- Series E: margin encompassed between 2.00% and 2.25%, both inclusive.

In accordance with the planned schedule, the Deed of Fund Formation showing these margins was granted on 10 November 2006.

Notwithstanding the foregoing, given that the market circumstances are difficult to forecast in view of the various securitisation operations that exist, some of the bonds have been placed at levels other than those given in the aforementioned bands. This has been duly notified to the Fund Manager in accordance with the procedure set forth in the Subscription and Underwriting Contract and in the Deed of Formation.

The series with the highest rankings have been placed at a lower level, due to the existence of several similar issues. This has led to a 0.01% margin increase of the A1 and A2 Series with regard to the higher bracketed levels initially established. Meanwhile, the lack of issues with less senior ratings has allowed a better placement of the C and D Series and an improved margin of 0.01% and 0.02%, respectively, with regard to the lower bracketed levels initially established. With regard to the E Series, the margin has had to be increased by 0.15% with regard to the higher bracketed level, in order to adapt to the existing demand for bonds with these characteristics.

Given the foregoing, the margins of the Bonds have been set at the amounts previously specified.

By virtue of this, the Fund Formation Deed shall be amended prior to the Disbursement Date through the granting of a complementary deed between BANCO PASTOR and the Fund Manager to reflect these new margins.

A relevant fact has been published in this regard on this same date.

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. Rating of the Bonds

Moody's and Standard & Poor's have today confirmed the ratings assigned to the Bonds and which are detailed in section 7.5 of the Securities Prospectus.

BY VIRTUE OF THE FOREGOING, please accept this Prospectus Supplement corresponding to the formation of “GC FTPYME PASTOR 4, Fondo de Titulización de Activos” filed on 7 November 2006 and incorporate it into the Registers of the National Securities Market Commission.

Barcelona, 13 November 2006

The Fund Manager

Gesticaixa, S.G.F.T., S.A.

Xavier Jaumandreu Patxot

General Manager