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1 Technical Advisory Committee

The last meeting of the Committee held on 3rd March dealt with the following:

Presentation of a draft Instruction by which IBERCLEAR will incorporate a process of clearing balances before each multilateral settlement cycle. This will allow more sale transactions carried out on day "T" to be settled with the cleared balances received by the entity on day "T+3".

Presentation of a draft instruction to incorporate the mechanism for retaining market transfer and loan orders, as well as transfers carried out on CADE platform. This brings IBERCLEAR procedures into line with international standards. It was agreed that it should enter into force at the end of this year.

Presentation of a draft Instruction by which IBERCLEAR incorporates a new multilateral settlement cycle at 13:00 hours. This includes the cash corresponding to justified sales and the transfers and loans against payment confirmed since the close of the previous cycle. It was agreed to implement this new cycle in May, and it has been in operation since the 11th of this month.

Presentation of a draft Instruction by which IBERCLEAR makes available to participants a new format of online communications to provide participants with the same information on invoicing that they receive through the post. The new format has been introduced this month (May). The entities have had a trial system available since April with real information on invoices issued that month.

Presentation of a draft Instruction that extends the time limit for communicating third-party trades until 16:00 hours, with value date on the same day. Therefore, trades can be settled on real time basis as well as segregations and reconstitutions trades. In addition, an "information period" and "settlement period" are established for the process of closing CADE Platform. It was agreed that IBERCLEAR should review the possibility of implementing two time limits rather than maintaining only one limit (communication of trades). Consequently the second limit should be established as market practice. This change to the operating hours has been in force since 27th April.

2 Technical Risk Committee

Since the previous Bulletin, the Technical Risk Commission has held three meetings focused on the study of applying special settlement procedures for non-compliance with delivery of securities in certain circumstances, namely transactions with securities subject to insolvency proceedings and special transactions. The aim of the new procedures is to ensure that the securities are delivered to the entity settling the purchase on the agreed settlement date only if the entity settling the sale provides the securities sold.

To apply the special settlement procedures, IBERCLEAR will first have to communicate the share affected by the insolvency proceedings to which the issuer is subject and determine the characteristics of the transactions that are deemed to be "special".



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The Circulars and Instructions regulating this special settlement procedure will determine the following points:

- The criteria for deciding which purchase transactions will have their settlement delayed.
- The maximum period of time for which the transaction is maintained as delayed pending settlement.
- The substitute provision to be received by the buyer when the delayed transaction reaches the maximum time limit established and is considered non-settleable.

These Circulars shall be submitted to the National Securities Market Commission (CNMV) for its approval before its publication and entry into force.

3 Link Up Markets

The announcement of the creation of Link Up Markets is little more than a year old. This is a joint venture that now includes eight Central Securities Depositories in Europe, among them IBERCLEAR. Overall the eight CSDs represent 50% of all European transactions. The company has its registered office in Madrid.

It is a joint project open to the new partners who wish to participate in transforming cross-border securities transactions by making them more similar to efficient and economic domestic systems.

To this end, Link Up Markets is focused on settlement, custody and post-trade services, such as the handling of financial operations, providing swift and accurate information on them, advice to shareholders' meetings, etc. as well as any other corporate event that may affect the securities included in its scope of influence. Derivatives and trading are not included in its remit.

It is important to point out that various teams from IBERCLEAR and other companies in BME have been working on this project for more than two years. They have essentially been focused on the development of computer systems and communications as well as the important tax and legal aspects of the project. This cooperative work requires continuous communication between the members and professional meetings at local and international level. At the same time, we have to demonstrate and undertake a significant commercial effort in order to ensure that our clients, the participating entities, are informed of all the details involved in the project.

Since 30th March, the Depositories of Germany, Switzerland, Austria and Denmark have already been operating through Link Up Markets. The connectivity of IBERCLEAR with Germany will begin on 29th June. In the week before this date, tests will be carried out with various pilot entities which will check the correct operation of the reporting service. On 29th June, IBERCLEAR will open a testing system to allow those participants who wish to do so to carry out any tests they deem necessary. A detailed manual will be available to explain how to operate in this environment. The test system will use German Fixed Income securities denominated in euros and it will allow cross-border transactions to be simulated "free" and "against payment".

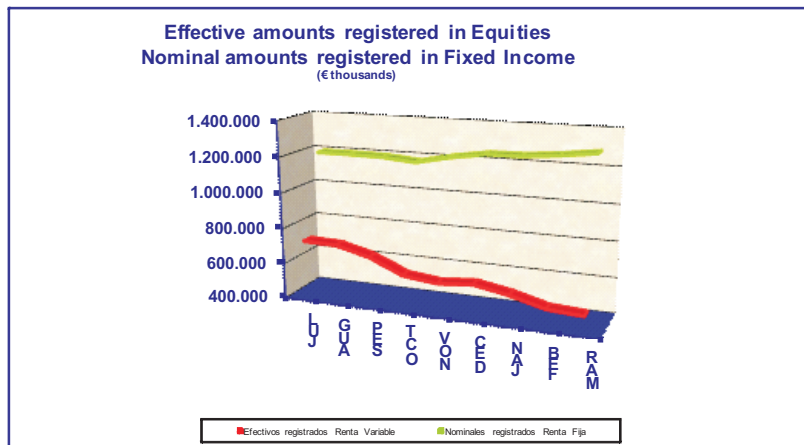
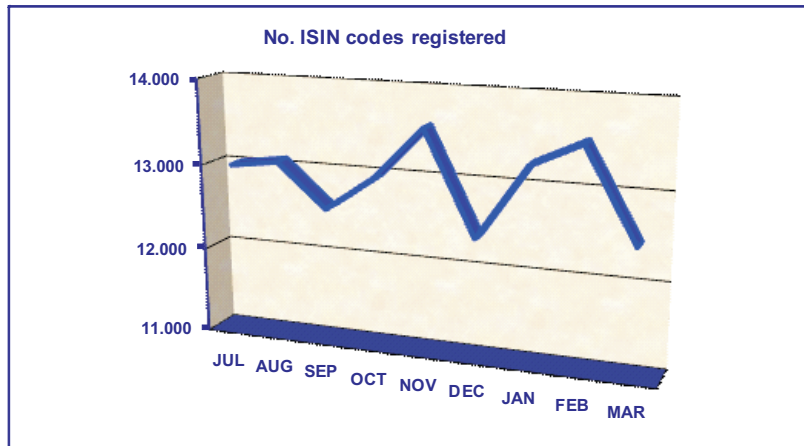
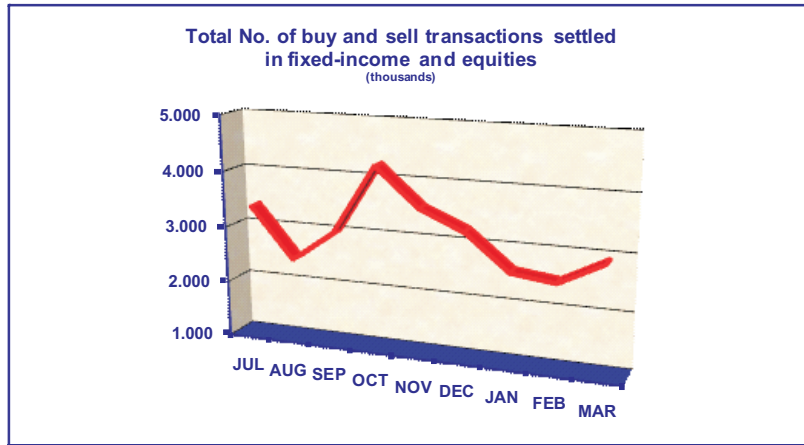
It is planned for the end of June a Link Up Markets presentation. It will take place in the Assembly Room of Bolsa de Madrid.



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4 Key IBERCLEAR Figures at the Close of the First Quarter of 2009

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5 IBERCLEAR Regulations Published since the Previous Bulletin

Circulars

- 5/2009 of 26th November, on "Fee Modifications"

Instructions

- 1/2009 of 23th January on "Collateral as Market Guarantees"
- 2/2009 of 30th January, on "Delivery of Securities on an FOP basis between Participating Entities of IBERCLEAR and Participating Entities of Euroclear Nederland"
- 3/2009 of 5th March, on "Updating the Procedural Manual for the Book-Entry Clearing and Settlement System"
- 4/2009 of 11th March, on "Updating the Table of Movements"
- 5/2009 of 26th March, on "Communicating Invoicing Through File Submission"
- 6/2009 of 26th March, on "Settlement of Subscription Rights"
- 7/2009 of 1st April, on "Updating the Reporting Schedule of the Fixed Income Platform"
- 8/2009 of 3rd April, on "Settlement Cycles"
- 9/2009 of 22nd April, on the "Introduction of the NIF [tax ID] into the Table of Non-Resident Legal Persons"
- 10/2009 of 30th April, on "Bilateral Securities Lending"
- 11/2009 of 14th May, on "Bilateral Stock Market Securities Lending"

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