

OPERATING INSTRUCTION 3/2004 OF 29 APRIL, ON THE USE OF SENAF.SON IN AIAF FIXED INCOME MARKET.

In order to expand the use of the SENAF Organised Trading System, it has been deemed advisable and appropriate to extend it to AIAF Fixed Income Market. As a result of this initiative, securities admitted to listing in AIAF Fixed Income Market, or securities for which a prior notice of their issue project, including the intention of quoting in AIAF Fixed Income Market, has been registered in the CNMV (*Comisión Nacional del Mercado de Valores*, National Stock Market Commission), will be quoted, traded and contracted in the SENAF Organised Trading System.

The Board of Directors of SISTEMA ELECTRÓNICO DE NEGOCIACIÓN DE ACTIVOS FINANCIEROS, AGENCIA DE VALORES, S.A. (hereinafter SENAF AV SA), exercising the powers conferred on it by articles 8 and 9 of the General Regulations of SENAF.SON, has approved this Operating Instruction by agreement reached in the session held on 29th April, 2004.

First.- Scope of Application.

The incorporation into SENAF.SON of the trading, quoting and contracting of securities admitted to listing in AIAF Fixed Income Market, or securities for which a prior notice of their issue project, including the intention of quoting in AIAF Fixed Income Market, has been registered in the CNMV, is authorised.

Second.- Applicable Regulations.

SENAF.SON for AIAF Fixed Income Market will be regulated by the following regulations: General Regulations of SENAF.SON, this Operating Instruction, and to the extent not in conflict with it in accordance with the following paragraphs, Operating Instruction 2/2002 of 28 February, relating to the Code of Conduct of SENAF.SON, Operating Instruction 3/2002 of 28 February, relating to the operating rules of SENAF.SON, and Operating Instruction 1/2003 of 19 June, on the adaptation and development of Operating Instructions 2/2002 of 28 February and 3/2002 of 28 February.

Third.- Operating Instruction 2/2002 of 28 February, relating to the Code of Conduct of SENAF.SON.

The provisions of Operating Instruction 2/2002 of 28 February, relating to the Code of Conduct of SENAF.SON, will be applicable to SENAF.SON for AIAF Fixed Income Market with the following particularities:

- It is not necessary that Dealer Members fulfil the conditions stated as 1 and 3 in Paragraph 2.1.2.2. Therefore Dealer Members for AIAF Fixed Income Market will need to fulfil the following requirements:

- a). Be Members of AIAF Fixed Income Market.
- b). Equity equal to or greater than 100,000,000 euros.

- The obligations regulated in sections d) and e) of point 3.1.2., as well as the criterion for being kept on the screen regulated at the end of that same point, will not be applied to Dealer Members.

- The cause for loss of the condition of Dealer Member contemplated in section b) of point 3.1.3. will not be applied to Dealer Members.

- In point 4.2.2., concerning modification or annulment, and as regards AIAF Fixed Income Market, positions kept by members will be anonymous to the remaining members during the quoting stage. However, at the time of performance of the transaction, the involved members will be identified; at that time, exceptionally and within 30 seconds, any of the counterparties may reject the transaction provided that the motives for this rejection are derived exclusively from the internal settlement risk management carried out by the rejecting entity. If no rejection occurs during the said period of time, the transaction will be performed.

Fourth.- Operating Instruction 3/2002 of 28 February, relating to the operating rules of SENAF.SON.

The provisions of Operating Instruction 3/2002 of 28 February, relating to the operating rules of SENAF.SON, will be applicable to SENAF.SON for AIAF Fixed Income Market with the following particularities:

- In point First, 1, concerning the basic features of the Contracting System, the fact of being a Market without knowledge of the counterparty does not apply, since the counterparty becomes known at the moment of performing the transaction.

- In point First, 2.1.1.1.1., the fact that SENAF.SON provides Participants with the last price quoted for each issue does not apply.

- In point First, 3, concerning the confirmation of transactions, it should be added that a transaction will be confirmed when 30 seconds have elapsed without the transaction having been rejected by any of the Members participating in it.

- Point First, 4, concerning daily adjustment to market price, does not apply.

- Point First, 5.1.1., concerning errors in the holder, will not apply, and in no case will modifications due to an error in the holder be admitted.

- In point First, 5.1.2., the following specifications of transactions with AIAF Fixed Income Market will be applied: In order that the price of a transaction be deemed a manifest error, it must exceed the following margins with respect to the theoretical price when the transaction is crossed:

REMAINING TERM OF THE ISSUE	MARGIN
Up to 3.5 years,	10 basis points in the price.
More than 3.5 years and less than 5.5 years,	15 basis points in the price.
More than 5.5 years and less than 10.5 years,	20 basis points in the price.
More than 10.5 years,	25 basis points in the price.

Fifth.- Participants.

Members of SENAF.SON previously authorised to this end by AIAF Fixed Income Market can participate in SENAF.SON for AIAF Fixed Income Market, in conformity with the provisions in Circular 2 /2004 of 20th. May, 2004 of AIAF Fixed Income Market, on the use of electronic systems for contracting security transactions in AIAF Fixed Income Market.

Sixth.- Securities.

AIAF Fixed Income Market will select the securities whose incorporation into SENAF.SON will be proposed. The incorporation of securities will have to be promoted by its issuer or by any member of SENAF.SON.

Seventh.- Communication and Coming into Effect.

1. This Operating Instruction will be communicated to all Participant Members.
2. This Operating Instruction will come into effect on 5th., July 2004 and will be binding on Participant Members.