

**Rating Action:**

**Moody's Rates Fourth Series of Shares of FIDC BGNPREMIUM I (P)Aaa.br**

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**Approximately R\$150 million of senior shares affected**

Sao Paulo, December 11, 2006 -- Moody's America Latina (Moody's) has assigned provisional ratings of (P)Aaa.br (Brazilian National Scale) and (P)Baa3 (Global Scale, Local Currency) to the fourth series of senior shares to be issued by FIDC BGNPREMIUM I - Credito Consignado. The rating reflects the credit protection in the form of subordination, a minimum excess spread requirement, a cash reserve, and the strong asset quality supported by strict eligibility requirements.

BGNPREMIUM I is a master program closed-end FIDC that issues senior and subordinated shares backed by a common pool of personal loans from Banco BGN. The shares are backed by cash flows arising from repayment of personal loans, which are deducted directly from each obligor's paycheck by government entities. Banco BGN extends the personal loans solely to active government employees at the federal, state, and municipal levels.

While the legal final maturity date of the master program is May 2014, each series issued under the master program may have different legal final maturity dates, before the master program's legal final maturity date. The fourth series of shares will have the same structure as that of the previous three series (Series 2004-1, 2004-2 and 2005-1). Proceeds of the fourth series will be used to make revolving purchases of personal loan receivables originated by Banco BGN.

Moody's ratings are based on the following factors:

- The credit quality of the assets supporting the senior shares, which is comprised of personal loans with payroll deduction to government employees that enjoy job stability mandated by law (cannot be fired unless for cause);
- A minimum credit enhancement level of 15% provided through subordination;
- Minimum excess spread of 13%, which mitigates risks such as prepayment and interest rate mismatch, in addition to losses;
- A cash reserve equivalent to approximately one month of payments to mitigate, among others, commingling risks;
- The strict eligibility criteria for the purchase of assets, including geographic concentration and delinquency levels, origination criteria, and tenor of the receivables;
- The ability of Banco Itaú S.A (bank deposit rating of Aaa.br on the Brazilian National Scale) to act as master and back-up servicer; and
- The legal structure of the transaction, including the bankruptcy remoteness of the issuer.

**SELLER AND SERVICER**

Headquartered in Recife, in the Brazilian State of Pernambuco, Banco BGN is a "niche" financial institution specializing in providing personal loans to Brazilian government employees at the federal, state, and municipal levels. Founded in 1994, Banco BGN is controlled by the Queiroz Galvão Group, which is a closely-held, diversified conglomerate and among the largest economic groups in Brazil in total revenues.

Details of Moody's analysis can be found in Moodys' New Issue Report: FIDC BGNPREMIUM I -- Series 2004-1, published as of August 24, 2004. The report is available on Moody's website, <http://www.moodys.com>.

The complete rating action is as follows:

FIDC BGNPREMIUM I -- Fourth Series - Senior Shares -- (P)Aaa.br (Brazilian National Scale) & (P)Baa3  
(Global Scale, Local Currency)

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