As filed with the Securities and Exchange Commission on July 28, 2016

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM F-3
REGISTRATION STATEMENT

UNDER
THE SECURITIES ACT OF 1933

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

(Exact Name of Registrant as Specified in Its Charter)

Kingdom of Spain	**Not Applicable**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification Number)**

Calle Azul, 4
28050 Madrid
Spain
+34-91-537-7000
(Address and Telephone Number of Registrant's Principal Executive Offices)

Diego Crasny
Banco Bilbao Vizcaya Argentaria, S.A.
New York Branch
1345 Avenue of the Americas, 45th Floor
New York, New York 10105
+1-212-728-1660
(Name, Address, and Telephone Number of Agent for Service)

Please send copies of all communications to:

Michael J. Willisch	**Vivian Root**
Davis Polk & Wardwell LLP	**Sidley Austin LLP**
Paseo de la Castellana, 41	**Woolgate Exchange**
28046 Madrid, Spain	**25 Basinghall Street**
+34-91-768-9610	**London EC2V 5HA, England**
	+44-207-360-2045

Approximate date of commencement of proposed sale to the public: From time to time after this Registration Statement becomes effective.

If only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. ☐

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☒

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a registration statement pursuant to General Instruction I.C. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. ☒

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.C. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Unit(1)	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee(1)
Ordinary Shares of Banco Bilbao Vizcaya Argentaria, S.A., par value €0.49 per share(2)				
Rights to subscribe for Ordinary Shares of Banco Bilbao Vizcaya Argentaria, S.A. (including in the form of American Depositary Shares)(3)				
Senior Debt Securities of Banco Bilbao Vizcaya Argentaria, S.A.				
Subordinated Debt Securities of Banco Bilbao Vizcaya Argentaria, S.A.				

(1) An indeterminate aggregate initial offering price and number or amount of securities of each identified class is being registered as may from time to time be offered at indeterminate prices. Separate consideration may or may not be received for securities that are issuable on exercise, conversion or exchange of other securities or that are represented by depositary shares. In accordance with Rules 456(b) and 457(r), the registrant is deferring payment of all registration fees.

(2) A separate registration statement on Form F-6 (Registration No. 333-142862) has been filed with respect to the American Depositary Shares issuable upon deposit of the ordinary shares registered hereby. Each American Depositary Share represents one ordinary share of Banco Bilbao Vizcaya Argentaria, S.A.

(3) No separate consideration will be received for the rights.

PROSPECTUS

Banco Bilbao Vizcaya Argentaria, S.A.

Ordinary Shares
American Depositary Shares, each representing one Ordinary Share
Rights to Subscribe for Ordinary Shares
Senior Debt Securities
Subordinated Debt Securities

Banco Bilbao Vizcaya Argentaria, S.A. ("we") may offer from time to time ordinary shares, American Depositary Shares (each representing one ordinary share, commonly referred to as ADSs), rights to subscribe for ordinary shares (including in the form of ADSs), senior debt securities or subordinated debt securities in one or more offerings.

This prospectus describes the general terms of these securities and the general manner in which we will offer these securities. The specific terms of any securities we offer will be included in a supplement to this prospectus. The applicable prospectus supplement will also describe the specific manner in which we will offer the securities. Such supplements may also add to, update, supplement or change information contained in the prospectus. We will not use this prospectus to issue any securities unless it is attached to a prospectus supplement.

We may offer and sell these securities to or through one or more underwriters, dealers and agents, or directly to purchasers, on a delayed or continuous basis. We will indicate the names of any underwriters in the applicable prospectus supplement.

Our ordinary shares are listed on each of the Madrid, Barcelona, Bilbao and Valencia stock exchanges (the "Spanish Stock Exchanges") and quoted on the Automated Quotation System of the Spanish Stock Exchanges (the "Automated Quotation System") as well as quoted on SEAQ International in London. Our ordinary shares are also listed on the London and Mexico stock exchanges. Our ordinary shares in the form of ADSs are listed on the New York Stock Exchange. If we decide to list any of the other securities on a national securities exchange upon issuance, the applicable prospectus supplement to this prospectus will identify the exchange and the date when we expect trading to begin.

Investing in our securities involves risks. See "Risk Factors" on page 3.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

Our senior debt securities and subordinated debt securities may be subject to the exercise of the Spanish Bail-in Power (as defined herein) by the Relevant Spanish Resolution Authority (as defined herein) as described herein and in the applicable prospectus supplement for such senior debt securities or subordinated debt securities, as applicable. See "Description of the Notes of BBVA—Agreement with Respect to the Exercise of the Spanish Bail-in Power".

Our ordinary shares (including those represented by ADS) may also be subject to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority. See "Description of BBVA Ordinary Shares—Exercise of Spanish Bail-in Power and other Resolution Tools" and "Description of BBVA American Depositary Shares—Exercise of Spanish Bail-in Power and other Resolution Tools".

The securities are not deposits or savings accounts and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency of the Kingdom of Spain, the United States or any other jurisdiction.

The date of this prospectus is July 28, 2016.

You should rely only on the information contained in or incorporated by reference in this prospectus. Neither we nor any underwriter has authorized anyone to provide you with different information. Neither we nor any underwriter is making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in or incorporated by reference in this prospectus is accurate as of any date other than the date on the front cover of this prospectus.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement on Form F-3 that we filed with the Securities and Exchange Commission (the "SEC") utilizing a "shelf" registration process. Under this shelf registration process, we may sell any combination of the securities described in this prospectus in one or more offerings.

This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement containing specific information about the terms of that offering. *The prospectus supplement may also add to, update, supplement or change information contained in this prospectus. If a prospectus supplement is inconsistent with this prospectus, the terms of the prospectus supplement will control. Therefore, the statements made in this prospectus may not be the terms that apply to the securities you purchase.* You should read both this prospectus and any applicable prospectus supplement together with additional information described under the heading "Incorporation of Documents by Reference".

In this prospectus, the following terms will have the meanings set forth below, unless otherwise indicated or the context otherwise requires:

- "ADRs" refers to American Depositary Receipts representing ADSs.
- "ADSs" refers to American Depositary Shares, each representing one ordinary share of BBVA.
- "Amounts Due" with respect to a series of senior debt securities or subordinated debt securities means the principal amount of or outstanding amount (if applicable), together with any accrued but unpaid interest, additional amounts, premium (if any) and sinking fund payments (if any) due on the securities of such series. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of the Spanish Bail-in Power (as defined below) by the Relevant Spanish Resolution Authority (as defined below).
- "BBVA Group" refers to Banco Bilbao Vizcaya Argentaria, S.A. and its consolidated subsidiaries.
- "Early Intervention" means, with respect to any person, that any Relevant Spanish Resolution Authority or the European Central Bank shall have announced or determined that such person has or shall become the subject of an "early intervention" (*actuación temprana*) as such term is defined in Law 11/2015 (as defined below).
- "Law 11/2015" means Spanish Law 11/2015, of June 18, on the recovery and resolution of credit institutions and investment firms (*Ley 11/2015, de 18 de junio, de recuperación y resolución de entidades de crédito y empresas de servicios de inversión*), as amended, replaced or supplemented from time to time.

- "notes" refers to our senior notes (as defined below) and the subordinated notes (as defined below), collectively.
- "RD 1012/2015" means Royal Decree 1012/2015 of November 6, by virtue of which Law 11/2015 is developed and Royal Decree 2606/1996 of December 20 on credit entities' deposit guarantee fund is amended, as amended, replaced or supplemented from time to time.
- "Relevant Spanish Resolution Authority" means the Spanish Fund for the Orderly Restructuring of Banks (*Fondo de Restructuración Ordenada Bancaria*), the European Single Resolution Mechanism and, as the case may be, according to Law 11/2015, the Bank of Spain and the Spanish Securities Market Commission (CNMV), and any other entity with the authority to exercise the Spanish Bail-in Power (as defined below) from time to time.
- "Resolution" means, with respect to any person, that any Relevant Spanish Resolution Authority shall have announced or determined that such person has or shall become the subject of a "resolution" (*resolución*) as such term is defined in Law 11/2015.
- "rights" refers to the rights to subscribe for our ordinary shares (including in the form of ADSs).
- "securities" refers to the shares, the ADSs, the rights and the notes, collectively.
- "senior notes" refers to our senior debt securities.
- "shares" or "ordinary shares" refers to our ordinary shares, par value €0.49 per share.
- "Spain" refers to the Kingdom of Spain.
- "Spanish Bail-in Power" means any write-down, conversion, transfer, modification, or suspension power existing from time to time under: (i) any law, regulation, rule or requirement applicable from time to time in Spain, relating to the transposition or development of Directive 2014/59/EU of the European Parliament and the Council of the European Union of May 15, 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended, replaced or supplemented from time to time, including, but not limited to (a) Law 11/2015, (b) RD 1012/2015 and (c) Regulation (EU) No. 806/2014 of the European Parliament and of the Council of July 15, 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Resolution Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010, as amended, replaced or supplemented from time to time; or (ii) any other law, regulation, rule or requirement applicable from time to time in Spain pursuant to which (a) obligations or liabilities of banks, investment firms or other financial institutions or their affiliates can be reduced, cancelled, modified, transferred or converted into shares, other securities, or other obligations of such persons or any other person (or suspended for a temporary period or permanently) or (b) any right in a contract governing such obligations may be deemed to have been exercised.
- "subordinated notes" refers to our subordinated debt securities.
- "we", "us", "our", "Bank" and "BBVA" refer to Banco Bilbao Vizcaya Argentaria, S.A. unless the context otherwise requires.
- "$", "U.S. dollars" and "dollars" refer to United States dollars.
- "€" and "euro" refer to euro.

WHERE YOU CAN FIND MORE INFORMATION

Ongoing Reporting

We file annual reports on Form 20-F with, and furnish other reports and information on Form 6-K to, the SEC. You may read and copy any document we file with, or furnish to, the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at +1-800-SEC-0330 for more information about the SEC's Public Reference Room. The SEC also maintains an Internet site at http://www.sec.gov that contains in electronic form the reports and other information that we have electronically filed with, or furnished to, the SEC. In addition, the securities may specify that certain documents are available for inspection at the office of the trustee, a paying agent or the ADR depositary, as the case may be.

INCORPORATION OF DOCUMENTS BY REFERENCE

The rules of the SEC allow us to "incorporate by reference" the information we file with, or furnish to, the SEC, which means:

- incorporated documents are considered part of this prospectus;
- we can disclose important information to you by referring you to those documents; and
- information that we file with, or furnish to, the SEC in the future and incorporate by reference in this prospectus will automatically update and supersede information in this prospectus and information previously incorporated by reference in this prospectus.

We incorporate by reference the following documents:

- our annual report on Form 20-F for the fiscal year ended December 31, 2015 (the "2015 Form 20-F") filed with the SEC on April 6, 2016;
- our report on Form 6-K as furnished to the SEC on July 28, 2016 (the "March 31, 2016 Form 6-K"); and
- any filings made by us with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as well as any report on Form 6-K furnished to the SEC to the extent the Form 6-K expressly states that it is being incorporated by reference herein, on or after the date of this prospectus and prior to the termination of the relevant offering under this prospectus.

You may request, at no cost to you, a copy of these documents (other than exhibits not specifically incorporated by reference) by writing or telephoning us at the following address or telephone number:

Banco Bilbao Vizcaya Argentaria, S.A.
New York Branch
1345 Avenue of the Americas, 45th Floor
New York, New York 10105
Attention: Investor Relations
+1-212-728-1660

FORWARD-LOOKING STATEMENTS

Some of the statements included in this prospectus are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), Section 21E of the Exchange Act, and the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. We also may make forward-looking statements in our other documents filed with, or furnished to, the SEC that are incorporated by reference into this prospectus. Forward-looking statements can be identified by the use of forward-looking terminology such as "believe", "expect", "estimate", "project", "anticipate", "should", "intend", "probability", "risk", "VaR", "target", "goal", "objective", "future" or by the use of similar expressions or variations on such expressions, or by the discussion of strategy or objectives. Forward-looking statements are based on current plans, estimates and projections, are not guarantees of future performance and are subject to inherent risks, uncertainties and other factors that could cause actual results to differ materially from the future results expressed or implied by such forward-looking statements.

In particular, this prospectus and certain documents incorporated by reference into this prospectus include forward-looking statements relating but not limited to management objectives, the implementation of our strategic initiatives, trends in results of operations, margins, costs, return on equity and risk management, including our potential exposure to various types of risk such as market risk, interest rate risk, currency risk and equity risk. For example, certain of the market risk disclosures are dependent on choices about key model characteristics, assumptions and estimates, and are subject to various limitations. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future.

We have identified some of the risks inherent in forward-looking statements in "Item 3. Key Information—Risk Factors", "Item 4. Information on the Company", "Item 5. Operating and Financial Review and Prospects" and "Item 11. Quantitative and Qualitative Disclosures About Market Risk" in our 2015 Form 20-F. Other factors could also adversely affect our results or the accuracy of forward-looking statements in this prospectus, and you should not consider the factors discussed here or in the Items in our 2015 Form 20-F listed above to be a complete set of all potential risks or uncertainties. Other important factors that could cause actual results to differ materially from those in forward-looking statements include, among others:

- weak economic growth or recession in the countries where we operate;
- deflation, mainly in Europe, or significant inflation, such as the significant inflation recently experienced by Venezuela and Argentina;
- changes in foreign exchange rates, such as the recent local currency devaluations in Venezuela and Argentina, as they result in changes in the reported earnings of the BBVA Group's subsidiaries outside the Eurozone, and their assets, including their risk-weighted assets, and liabilities;
- a lower interest rate environment, including a prolonged period of negative interest rates in some areas where we operate, which could lead to decreased lending margins and lower returns on assets; or a higher interest rate environment, including as a result of an increase in interest rates by the Federal Reserve, which could affect consumer debt affordability and corporate profitability;
- any further tightening of monetary policies, including to address upward inflationary pressures in Latin America, which could endanger a still tepid and fragile economic recovery and make it more difficult for customers of the BBVA Group's mortgage and consumer loan products to service their debts;
- adverse developments in the real estate market, especially in Spain, Mexico, the United States and Turkey, given the BBVA Group's exposures to such markets;
- poor employment growth and structural challenges restricting employment growth, such as in Spain, where unemployment has remained relatively high, which may negatively affect household income levels of the BBVA Group's retail customers and may adversely affect the recoverability of the BBVA Group's retail loans, resulting in increased loan losses;
- lower oil prices, which could particularly affect producing areas, such as Venezuela, Mexico, Texas or Colombia, to which the BBVA Group is materially exposed;
- uncertainties arising from the results of election processes and political developments in the different geographies in which we operate, such as Spain and the Spanish region of Catalonia, which may ultimately result in changes in laws, regulations and policies;
- the exit by the United Kingdom (or any other EU Member State) from the European Monetary Union (EMU), which may materially adversely affect the European and global economy, result in changes in laws or regulation, affect the pace of policy change in Europe and substantially disrupt capital, interbank, banking and other markets, among other effects;

- an eventual government default on public debt, which could affect the BBVA Group primarily in two ways: directly, through portfolio losses, and indirectly, through instabilities that a default in public debt could cause to the banking system as a whole, particularly since commercial banks' exposure to government debt is generally high in several countries in which the BBVA Group operates;
- changes in applicable laws and regulations, including increased capital and provision requirements and taxation, and steps taken towards achieving an EU fiscal and banking union;
- adverse developments in emerging countries, in particular countries in Latin America where we operate and Turkey, including unfavorable political and economic developments, social instability and changes in governmental policies, including expropriation, nationalization, international ownership legislation, interest rate caps and tax policies;
- uncertainties arising from the July 2016 failed military coup in Turkey which could lead to changes in laws, higher risk perception of the country and a material adverse impact on its economy, including as a result of a loss of tourism;
- our ability to make payments on certain substantial unfunded amounts relating to commitments with personnel;
- the outcome of governmental, legal or arbitration proceedings; and
- weaknesses or failures in our Group's internal processes, systems (including information technology systems) and security.

Readers are cautioned not to place undue reliance on forward-looking statements. In addition, the forward-looking statements made in this prospectus speak only as of the date of this prospectus. We do not intend to publicly update or revise these forward-looking statements to reflect events or circumstances after the date of this prospectus, including, without limitation, changes in our business or acquisition strategy or planned capital expenditures or to reflect the occurrence of unanticipated events, and we do not assume any responsibility to do so. You should, however, consult any further disclosures of a forward-looking nature we may make in our other documents filed with, or furnished to, the SEC that are incorporated by reference into this prospectus.

RISK FACTORS

You should carefully consider the risk factors contained in the applicable prospectus supplement and the documents incorporated by reference into this prospectus, including, but not limited to, those risk factors in "Item 3. Key Information—Risk Factors" in our 2015 Form 20-F when deciding whether to invest in the securities being offered pursuant to this prospectus. Investing in the securities involves risks. Any of the risks described in the applicable prospectus supplement or in any other documents incorporated by reference into this prospectus, including our 2015 Form 20-F, if they actually occur, could materially and adversely affect our business, results of operations, prospects and financial condition and the value of your investments.

Each potential investor of any security offered hereunder must determine the suitability (either alone or with the help of a financial adviser) of that investment in light of its own circumstances. In particular, each potential investor should understand thoroughly the terms of such securities and be familiar with the behavior of any relevant indices and financial markets, including the possibility that any security offered hereunder may become subject to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority.

THE BBVA GROUP

The BBVA Group is a highly diversified international financial group, with strengths in the traditional banking businesses of retail banking, asset management, private banking and wholesale banking. The BBVA Group also has investments in some of Spain's leading companies. The BBVA Group, which operates in over 35 countries, is based in Spain and has substantial banking interests in Latin America, the United States, Europe and Turkey. The BBVA Group had consolidated assets of €740,947 million at March 31, 2016 and profit attributable to parent company of €709 million for the three months ended March 31, 2016.

BBVA's principal executive offices are located at Calle Azul 4, 28050 Madrid, Spain, and its telephone number at that location is +34-91-537-7000 or +34-91-374-6000.

Additional information about BBVA and its subsidiaries is included in the 2015 Form 20-F and the March 31, 2016 Form 6-K, which are incorporated by reference in this document.

Recent Developments

The general shareholders' meeting held on March 11, 2016 approved a capital increase to be charged to voluntary reserves in connection with the implementation of BBVA's "Dividend Option", shareholder remuneration program, which allows BBVA shareholders to elect to receive their remuneration in newly issued BBVA shares or, at their election, in cash.

On March 31, 2016, the Board of Directors approved the execution of the first of the share capital increases charged to voluntary reserves to implement the Dividend Option. As a result, the Bank's share capital increased by €55,702,125.43 (113,677,807 shares at a €0.49 par value each). Holders of 82.13% of the rights of free allocation opted to receive new BBVA ordinary shares. Holders of the remaining 17.87% of the rights of free allocation opted to sell such rights to BBVA, and as a result, BBVA acquired 1,137,500,965 rights for a total amount of €146,737,624.49. The price at which BBVA acquired such rights of free allocation (in execution of the commitment) was of €0.129 gross per right.

In addition, BBVA's Board of Directors, in its meeting held on June 22, 2016, approved the distribution of a cash interim dividend of a gross amount of €0.08 per share (€0.0648 per share after tax deductions) on account of the 2016 dividend. The dividend was paid on July 11, 2016.

Following the recommendation of the Audit and Compliance Committee, our Board of Directors, in its meeting of July 28, 2016, has decided to submit to the approval of the shareholders in the next general shareholders' meeting the appointment of KPMG Auditores, S.L. as the auditor of BBVA and the BBVA Group with respect to 2017, 2018 and 2019.

CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES AND PREFERENCE DIVIDENDS

The following table sets forth BBVA's consolidated ratio of earnings to fixed charges and preference dividends for the three months ended March 31, 2016 and the years ended December 31, 2015, 2014, 2013, 2012 and 2011:

	Three Months Ended March 31, 2016(1)(2)	Year Ended December 31,				
		2015(2)	2014(2)	2013(2)	2012(2)	2011(2)
Ratio of earnings to fixed charges and preference dividends						
Including interest on deposits	1.54	1.55	1.48	1.05	1.15	1.35
Excluding interest on deposits	3.15	2.80	2.51	1.13	1.32	1.65

(1) Unaudited.
(2) In accordance with International Financial Reporting Standards adopted by the EU ("EU-IFRS") required to be applied under the Bank of Spain's Circular 4/2004 ("Circular 4/2004") and in compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS-IASB").

USE OF PROCEEDS

The net proceeds from each issue of securities will be used for the BBVA Group's general corporate purposes, unless otherwise stated in the applicable prospectus supplement.

CONSOLIDATED CAPITALIZATION AND INDEBTEDNESS OF THE BBVA GROUP

The following table sets forth the capitalization and indebtedness of the BBVA Group on an unaudited consolidated basis in accordance with EU-IFRS required to be applied under Circular 4/2004 and in compliance with IFRS-IASB as of March 31, 2016.

	As of March 31, 2016 (millions of euros) (unaudited)
Outstanding indebtedness(1)	
Short-term indebtedness(2)	5,784
Long-term indebtedness	69,287
Of which: Preferred securities(3)	976
Total indebtedness(4)	75,071
Stockholders' equity	
Ordinary shares	3,120
Ordinary shares held by consolidated companies	(179)
Reserves	48,493
Dividends	(878)
Other comprehensive income	(4,171)
Total shareholders' equity	46,384
Preferred shares	—
Non-controlling interest	8,132
Total capitalization and indebtedness	129,587

(1) No third party has guaranteed any of the debt of the BBVA Group.
(2) Includes all outstanding promissory notes and bonds, debentures and subordinated debt (including preferred securities) with a remaining maturity of up to one year as of March 31, 2016.
(3) Under EU-IFRS required to be applied under Circular 4/2004 and in compliance with IFRS-IASB, preferred securities are accounted for as subordinated debt. Nonetheless, for Bank of Spain regulatory capital purposes, such preferred securities are treated as Tier 1 capital instruments.
(4) Approximately 26% of the BBVA Group's indebtedness was secured as of March 31, 2016.

The following is the principal transaction affecting the capitalization of the BBVA Group after March 31, 2016:

- On April 14, 2016, BBVA issued non-step-up non-cumulative contingent convertible perpetual preferred Tier 1 securities with an aggregate liquidation preference of €1,000,000,000 which are convertible on a contingent basis into ordinary shares of BBVA. BBVA has applied for these securities to be qualified as Tier 1 Capital.

DESCRIPTION OF BBVA ORDINARY SHARES

The following summary describes the material considerations concerning the capital stock of BBVA and briefly describes the material provisions of BBVA's bylaws (*estatutos*) and relevant Spanish law. This summary does not include all the provisions of our bylaws and is qualified in its entirety by reference to the detailed provisions thereof. A copy of BBVA's bylaws has been filed with the SEC as an exhibit to the registration statement of which this prospectus is a part and will be furnished to investors upon request.

General

As of July 28, 2016, BBVA's paid in share capital was €3,175,375,383.25, represented by a single class of 6,480,357,925 ordinary shares. As of March 31, 2016, BBVA's paid in share capital was €3,119,673,257.82, represented by a single class of 6,366,680,118 ordinary shares.

Non-residents of Spain may hold and vote ordinary shares subject to the general restrictions set forth below.

Attendance and Voting at Shareholders' Meetings

Each ordinary share entitles the shareholder to one vote. Any ordinary share may be voted by proxy. Any shareholder who is entitled to attend a general shareholders' meeting may be represented at such general shareholders' meeting by another person, who need not necessarily be a shareholder. Proxies are valid for ordinary (also referred to as "annual") general shareholders' meetings and extraordinary general shareholders' meetings and must be granted specifically with respect to each general shareholders' meeting. A single shareholder may not be represented at a general shareholders' meeting by more than one person, except under the circumstances provided in the law for brokering institutions.

Shareholders' meetings

Pursuant to BBVA's bylaws and to the Spanish Companies Act (*Ley de Sociedades de Capital*), approved by Royal Legislative Decree 1/2010 of July 2 (the "Spanish Companies Act"), general meetings of shareholders of BBVA may be ordinary or extraordinary.

Pursuant to the Spanish Companies Act, ordinary general shareholders' meetings shall necessarily be held within the first six months of each fiscal year, at which shareholders are requested to approve the annual accounts of the previous fiscal year, the corporate management for the previous fiscal year and the application of BBVA's net income or loss. Other matters may also be voted on by shareholders during the ordinary general shareholders' meetings if such items are included on the agenda or are allowed by law. Any other meetings of shareholders are considered to be extraordinary general shareholders' meetings. Extraordinary general shareholders' meetings may be called from time to time by the BBVA Board of Directors at its discretion. The BBVA Board of Directors will call extraordinary general shareholders' meetings when (i) it believes such meetings to be necessary or advisable for BBVA's interests, (ii) required by law or BBVA's bylaws, or (iii) requested by shareholders representing at least 3% of BBVA's share capital.

Shareholders representing at least 3% of the share capital of BBVA have the right to request the publication of a supplemental notice including one or more additional agenda items to the ordinary general shareholders' meeting and to add new resolution proposals to the agenda of any general shareholders' meeting, within the first five days following the publication of the agenda.

A universal shareholders' meeting, at which 100% of the share capital is present or duly represented, is considered valid even if no notice of such meeting was given, and, with unanimous agreement, shareholders may consider any matter at such a meeting.

Convening notice

According to BBVA's bylaws and the Spanish Companies Act, notices of all BBVA general shareholders' meetings must be published (i) in the Official Gazette of the Commercial Registry (*Boletín Oficial del Registro Mercantil*) or in a widely circulated newspaper in Spain, (ii) on BBVA's webpage and (iii) on the webpage of the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores* or "CNMV"), at least one month prior to the date of the meeting or with the minimum prior notice period required by the Spanish Companies Act from time to time. The notice must indicate the date, time and place of the meeting on the first

convening and all the matters to be considered at the meeting, along with other information required by the Spanish Companies Act. The notice may also include the date on which the meeting should be held on the second convening. At least twenty-four hours must elapse between the meeting on the first convening and the meeting on the second convening.

Place of meeting

Except with respect to universal shareholders' meetings, general shareholders' meetings must be held in Bilbao, Spain, where BBVA has its registered office, on the date indicated in the convening notice. A universal shareholders' meeting, at which 100% of the share capital is present or duly represented, may take place anywhere in the world.

Right of attendance

The owners of 500 or more ordinary shares which are duly registered in the book-entry record for ordinary shares at least five days prior to the date of the general shareholders' meeting and continue to hold such shares until the date of the meeting are entitled to attend. The holders of fewer than 500 ordinary shares may aggregate their shares by proxy to represent at least 500 ordinary shares and appoint a representative for the meeting.

Quorums

Under BBVA's bylaws and the Spanish Companies Act, except as set forth below, general shareholders' meetings will be duly constituted on the first convening if BBVA shareholders holding at least 25% of the voting share capital are present or represented by proxy. On the second convening of a general shareholders' meeting, there is no quorum requirement.

Notwithstanding the above, according to the Spanish Companies Act certain special events require a quorum of shareholders, present or represented by proxy, holding at least 50% of the voting share capital on first convening of the general shareholders' meeting and no less than 25% of the voting share capital on the second convening of the general shareholders' meeting. Those special events include the adoption of resolutions concerning the following: (i) increases or decreases in capital; (ii) in general, any modification of the bylaws; (iii) issuances of bonds; (iv) limitations or suppression of the preemptive rights to subscribe for new shares; (v) transformations, mergers, spin-offs and assignments of assets and liabilities; and (iv) the transfer of the registered office abroad.

Additionally, BBVA's bylaws also require the presence, in person or represented by proxy, of two-thirds of the voting share capital on first convening or 60% of the voting share capital on the second convening, at general shareholders' meetings in order to adopt resolutions that concern: (i) the change of the corporate purpose; (ii) the transformation of BBVA's legal status; (iii) a full spin-off; (iv) the dissolution of BBVA; or (v) the amendment of the second paragraph of article 25 of BBVA's bylaws, which establishes this stricter quorum requirement.

Adoption of resolutions and majorities

Subject to the higher vote requirements described in the following paragraphs, the adoption of resolutions requires a simple majority vote at the general shareholders' meeting, it being understood that a resolution is adopted when the favorable votes exceed the votes against the adoption of the resolution.

The adoption of resolutions concerning the following: (i) increases or decreases in capital; (ii) in general, any modification of the bylaws; (iii) issuances of bonds; (iv) limitations or elimination of the preemptive rights to subscribe for new shares; (v) transformations, mergers, spin-offs and assignments of assets and liabilities; and (iv) the transfer of the registered office abroad, shall require the favorable vote of (a) a majority of the share capital present or represented at the meeting if such share capital present or represented exceeds 50% of the total share capital, or (b) if the share capital present or represented by proxy on the second convening constitutes less than 50% but more than 25% of the total share capital, the approval of two-thirds of the share capital present or represented by proxy at such meeting. In addition, the adoption of resolutions that require special quorums according to our bylaws require a favorable vote of a majority of the share capital present or represented.

Validly adopted resolutions are binding on all the shareholders, including those who were absent, dissented or abstained from voting.

Any resolution adopted at the general shareholders' meeting that is contrary to Spanish law, to the bylaws or to the general shareholders' meeting regulations, or that are deemed detrimental to BBVA's interests to the benefit of one or more shareholders or third parties can be contested. Any director, any third party who proves a legitimate interest, and any shareholder who acquired such status before the resolution was adopted, as long as they represent at least 0.1% of the share capital of BBVA, may contest corporate resolutions. If the resolution is contrary to public order, it can be contested by any director, third party or any shareholder, even if he/she acquired such status after the resolution was adopted.

Appointment of directors

Under the Spanish Companies Act, in the event of a vacancy on the BBVA Board of Directors, a shareholder or group of shareholders that owns an aggregate number of ordinary shares equal to or greater than the result of dividing the total capital stock by the number of directors on the BBVA Board of Directors, has the right to appoint a corresponding proportion of the directors (rounded downwards to the nearest whole number) to the Board of Directors. Shareholders who exercise the right to appoint directors may not vote on the appointment of other directors to the BBVA Board of Directors. Under the Spanish Companies Act, the BBVA Board of Directors may also designate directors by interim appointment to fill vacancies (co-option). If a director has been co-opted, such director shall stay in office until the first general shareholders' meeting held following such co-option. The general shareholders' meeting may then ratify such director's appointment for the term of office remaining of the director whose vacancy has been covered through co-option, or appoint such director for the term of office established under our bylaws (currently, three years).

Any new directors shall comply with the suitability criteria set forth in Law 10/2014, of June 26, on organization, supervision and solvency of credit institutions ("Law 10/2014"), Royal Decree 84/2015, of February 13 and Bank of Spain Circular 2/2016 of February 2.

Preemptive Rights

Pursuant to the Spanish Companies Act, shareholders have preemptive rights to subscribe for (i) new ordinary shares issued in the context of a capital increase involving cash contributions (except where the capital increase is due to the conversion of convertible securities into BBVA ordinary shares, the absorption of another company, or the absorption of all or part of the assets of another company by means of a spin-off of such company) and (ii) securities which are convertible into BBVA ordinary shares. These preemptive rights may be excluded in certain circumstances in accordance with the Spanish Companies Act.

Form and Transfer

Ordinary shares are in book-entry form and are indivisible. Joint holders must nominate one person to exercise their rights as shareholders, though joint holders are jointly and severally liable for all obligations arising from their status as shareholders.

Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal ("Iberclear"), which manages the clearance and settlement system of the Spanish Stock Exchanges, maintains the central registry of ordinary shares which reflects (i) one or several proprietary accounts which show the balances of the participating entities' (*entidades participantes*) proprietary accounts; (ii) one or several general third-party accounts that show the overall balances that the participating entities hold for third parties; (iii) individual accounts opened in the name of the owner, either individual or legal person; and (iv) individual special accounts of financial intermediaries which use the optional procedure of settlement of orders. Each participating entity, in turn, maintains the detail records of the owners of the shares held in their general third-party accounts..

Transfers of ordinary shares quoted on the Spanish Stock Exchanges must be made by book-entry registry or delivery of evidence of title to the buyer, through or with the participation of a member of the Spanish Stock Exchanges that is an authorized broker or dealer. Transfers of ordinary shares may also be subject to certain fees and expenses.

Reporting Requirements

As ordinary shares are listed on the Spanish Stock Exchanges, the acquisition or disposition of ordinary shares by shareholders must be reported within four business days of the acquisition or disposition to BBVA and the CNMV where:

- in the case of an acquisition, the acquisition results in that person or group holding 3% (or 5%, 10%, 15%, 20%, 25%, 30%, 35%, 40%, 45%, 50%, 60%, 70%, 75%, 80% or 90%) of BBVA's total voting rights; or
- in the case of a disposal, the disposition reduces shares held by a person or group below a threshold of 3% (or 5%, 10%, 15%, 20%, 25%, 30%, 35%, 40%, 45%, 50%, 60%, 70%, 75%, 80% or 90%) of BBVA's total voting rights.

The reporting requirements apply not only to the purchase or transfer of shares, but also to those transactions in which, without a purchase or transfer, the proportion of voting rights of an individual or legal entity reaches, exceeds or falls below the threshold that triggers the obligation to report as a consequence of a change in the total number of voting rights of BBVA on the basis of the information reported to the CNMV and disclosed by it.

Regardless of the actual ownership of the shares, any individual or legal entity with a right to acquire, transfer or exercise voting rights granted by the shares, and any individual or legal entity who owns, acquires or transfers, whether directly or indirectly, other securities or financial instruments which grant a right to acquire shares with voting rights, will also have an obligation to notify the company and the CNMV of the holding of a significant stake in accordance with the applicable Spanish regulations. Since 2015, cash settled instruments creating long positions on underlying listed shares (such as BBVA's) shall be disclosed if the specified shareholding thresholds are reached or exceeded. Cash holdings and holdings derived from financial instruments shall be aggregated for disclosure purposes. A disclosure exemption for shareholding positions held by financial entities in their trading books as a result of the securities administration and custody services rendered by such financial entities is available pursuant to art. 33.2 of the Spanish Royal Decree 1362/2007.

In the case of individuals or legal entities resident in jurisdictions designated as tax havens or in countries or territories levying no taxes or with which Spain has no effective exchange of tax information, the threshold that triggers the obligation to disclose the acquisition or disposition of shares is reduced to 1% (and successive multiples of 1%).

Additionally, since BBVA is a credit entity, any person who intends to acquire a significant participation in BBVA's share capital must comply with certain obligations before the Bank of Spain. See "—Restrictions on Acquisitions of Ordinary Shares".

Requirements applicable to purchases by BBVA and its directors and senior managers

Acquisition of own shares

BBVA is required to report to the CNMV any acquisition by BBVA or any of its affiliates, of BBVA's own shares which, together with all other acquisitions since the last notification, reaches or exceeds 1% of BBVA's share capital (irrespective of whether any own shares have been sold in the same period). In such circumstances, the notification must be made within four stock exchange business days and include the number of shares acquired since the last notification (detailed by transaction), the number of shares sold (detailed by transaction) and the resulting net holding of treasury shares.

Acquisition of shares by BBVA directors and senior managers

Each member of the BBVA Board of Directors must report to BBVA and the CNMV, the percentage of voting rights held at the time such director joined the Board of Directors and at the time they are ceased as members. Furthermore, each member of the BBVA Board of Directors must similarly report any acquisition or disposition, regardless of size, of BBVA shares, debt instruments issued by BBVA, derivatives and other financial instruments linked thereto within three business days of such acquisition or disposition. Senior managers of BBVA, as well as persons closely associated to them or to BBVA directors, are also subject to the abovementioned reporting rules.

Change of Control Provisions

Certain antitrust regulations may delay, defer or prevent a change of control of BBVA or any of its subsidiaries in the event of a merger, acquisition or corporate restructuring. In Spain, the application of both Spanish and European antitrust regulations requires that prior notice of domestic or cross-border merger transactions be given in order to obtain a "non-opposition" ruling from antitrust authorities.

Spanish regulation of takeover bids may also delay, defer or prevent a change of control of BBVA or any of its subsidiaries in the event of a merger, acquisition or corporate restructuring. Law 6/2007 and Royal Decree 1066/2007 set forth the Spanish rules governing takeover bids. In particular:

- a bidder must make a tender offer in respect of 100% of the issued share capital of a target company if:
  - it acquires an interest in shares which (taken together with shares in which persons acting in concert with it are interested) carry 30% or more of the voting rights of the target company;
  - it acquires an interest in shares which (taken together with shares in which persons acting in concert with it are interested) carry less than 30% of the voting rights but enable the bidder to appoint a majority of the members of the target company's board of directors; or
  - it held 30% or more but less than 50% of the voting rights of the target company on the date the law came into force, and subsequently:
    - acquires, within 12 months, an additional interest in shares which carries 5% or more of such voting rights;
    - acquires an additional interest in shares so that the bidder's aggregate interest carries 50% or more of such voting rights; or
    - acquires an additional interest in shares which enables the bidder to appoint a majority of the members of the target company's board of directors;
- if a bidder's actions do not fall into the categories described above, such acquisition may qualify as an "a priori" or partial tender offer (*i.e.*, in respect of less than 100% of the issued share capital of a target company), in which case such bidder would not be required to make a tender offer in respect of 100% of the issued share capital of a target company;
- the board of directors of a target company is exempt from the rule prohibiting certain board interference with a tender offer (the "passivity rule"), provided that (i) it has been authorized by the general shareholders' meeting to take action or enter into a transaction which could disrupt the offer, or (ii) it has been released from the passivity rule by the general shareholders' meeting vis-à-vis bidders whose boards of directors are not subject to an equivalent passivity rule;
- defensive measures included in a listed company's bylaws and transfer and voting restrictions included in agreements among a listed company's shareholders will remain in place whenever the company is the target of a tender offer unless the general shareholders' meeting resolves otherwise (in which case any shareholders whose rights are diluted or otherwise adversely affected may be entitled to compensation); and
- if, as a result of a tender offer in respect of 100% of the issued share capital of a target company, the bidder acquires an interest in shares representing at least 90% of the voting rights of the target company and the offer has been accepted by investors representing at least 90% of the voting rights of the target company (provided such voting rights are distinct from those already held by the bidder), the bidder may force the holders of the remaining share capital of the company to sell their shares. The minority holders shall also have the right to force the bidder to acquire their shares under these same circumstances.

As further described below in "—Restrictions on Acquisitions of Ordinary Shares", since BBVA is a bank, it is necessary to obtain approval from the Bank of Spain in order to acquire a number of shares considered to be a significant participation by Law 10/2014. Also, any agreement that contemplates BBVA's merger with another credit entity requires the authorization of the Spanish Ministry of Economy and Competitiveness. This could delay, defer or prevent a change of control of BBVA or any of its subsidiaries that are credit entities in the event of a merger.

Exchange Controls

In 1991, Spain adopted the EU standards for free movement of capital and services. As a result, exchange controls and restrictions on foreign investments have generally been abolished and foreign investors may transfer invested capital, capital gains and dividends out of Spain without limitation as to amount, subject to applicable taxes.

Pursuant to Spanish Law 18/1992 on Foreign Investments and Royal Decree 664/1999, foreign investors may freely invest in shares of Spanish companies, except in the case of certain strategic industries.

However, Royal Decree 664/1999 and Law 19/2003, on exchange controls and foreign transactions, require that all foreign investments in Spain (and the liquidations of such investments) be notified to the Investments Registry of the Ministry of Economy and Competitiveness for administrative statistical and economical purposes. In particular, shares in Spanish companies acquired or held by foreign investors must be reported to the Spanish Registry of Foreign Investments by the depositary bank or relevant Iberclear participating entity. Moreover, when a foreign investor acquires shares in a company that is subject to the reporting requirements of the CNMV, such foreign investor must also give notice directly to the CNMV and, if applicable, to the relevant Spanish Stock Exchanges if such acquisition results in such foreign investor exceeding certain ownership thresholds (see "—Reporting Requirements").

In certain circumstances, the Council of Ministers may agree to suspend the application of Royal Decree 664/1999, if the investments, due to their nature, form or condition, affect or may potentially affect activities relating to the exercise of public powers, national security or public health. Law 19/2003 authorizes the Spanish government to impose specific limits or prohibitions, related to specific third countries, when such measures have been previously approved by the European Union or by an international organization to which Spain is member. Should the general regime be suspended, the affected investor shall obtain prior administrative authorization.

Investment by foreigners domiciled in enumerated tax haven jurisdictions (as defined by applicable Spanish regulations) is subject to special reporting requirements.

Restrictions on Acquisitions of Ordinary Shares

BBVA's bylaws do not provide any restrictions on the ownership of ordinary shares. Because BBVA is a Spanish bank, however, the acquisition or disposition of a significant participation of BBVA shares is subject to certain restrictions. Such restrictions may impede a potential acquirer's ability to acquire BBVA shares and gain control of BBVA.

Pursuant to Spanish Law 10/2014, any individual or corporation, acting alone or in concert with others, intending to directly or indirectly acquire a significant holding in a Spanish financial institution (as defined in article 16 of Law 10/2014) or to directly or indirectly increase its holding in such way that either the percentage of voting rights or of capital owned were equal to or more than any of the thresholds of 20%, 30% or 50%, or by virtue of the acquisition, might take control over the financial institution, must first notify the Bank of Spain. For the purpose of this Law, a significant participation is considered to be 10% of the outstanding share capital or voting rights of a financial institution or a lower percentage if such holding allows for the exercise of a significant influence. Secondary legislation will specify when "significant influence" exists; in any case, according to Royal Decree 84/2015, the capacity to appoint or dismiss a Board member will be considered "significant influence".

The Bank of Spain will be responsible for evaluating the proposed transaction, in accordance with the terms established by Law 10/2014, of June 26 (as stated in Article 18.1 of Law 10/2014) with a view to guaranteeing the sound and prudent operation of the target financial institution. The Bank of Spain will then submit a proposal to the European Central Bank, which will be in charge of deciding upon the proposed transaction in the term of 60 business days after the date on which the notification was received.

Any acquisition made without such prior notification, or conducted before 60 business days have elapsed since the date of such notification, or made in circumstances where the European Central Bank has objected, will produce the following results:

- the acquired shares will have no voting rights;

- if considered appropriate, the target bank may be taken over by the relevant regulator or its directors replaced in accordance with Title III of Law 10/2014; and
- a sanction may be imposed under Title IV of Law 10/2014.

Any individual or institution that intends to sell its significant participation in a bank or reduce its participation below the above-mentioned percentages, or which, because of such sale, will lose control of the entity, must give prior notice to the Bank of Spain, indicating the amount it intends to sell and the period in which the transaction is to be executed. Non-compliance with this requirement may result in sanctions.

Furthermore, pursuant to Law 10/2014, any natural or legal person, or such persons acting in concert, who has acquired, directly or indirectly, a holding in a Spanish bank so that the proportion of the voting rights or of the capital held reaches or exceeds 5%, must immediately notify in writing the Bank of Spain and the relevant Spanish bank, indicating the size of the acquired holding.

Shareholders'Agreements

Royal Legislative Decree 4/2015 of October 23, as amended (the "Spanish Securities Market Act") and the Spanish Companies Act require parties to disclose certain types of shareholders' agreements that affect the exercise of voting rights at a general shareholders' meeting or contain restrictions or conditions on the transferability of shares or bonds that are convertible or exchangeable into shares. If any shareholders enter into such agreements with respect to BBVA's shares, they must disclose the execution, amendment or extension of such agreements to BBVA and the CNMV and file such agreements with the appropriate Commercial Registry. Failure to comply with these disclosure obligations renders any such shareholders' agreement unenforceable and constitutes a material infringement of the Spanish Securities Market Act.

Payment of Taxes

Holders of ordinary shares will be responsible for any taxes or other governmental charges payable on their ordinary shares, including any taxes payable on transfer. The paying agent or the transfer agent, as the case may be, may, and upon instruction from BBVA, will:

- refuse to effect any registration of transfer of such ordinary shares or any split-up or combination thereof until such payment is made; or
- withhold or deduct from any distributions on such ordinary shares or sell for the account of the holder thereof any part or all of such ordinary shares (after attempting by reasonable means to notify such holder prior to such sale), and apply, after deduction for its reasonable expenses incurred in connection therewith, the net proceeds of any such sale in payment of such tax or other governmental charge, the holder of such ordinary shares remaining liable for any deficiency.

Exercise of Spanish Bail-in Power and other Resolution Tools

Our ordinary shares (including those represented by ADSs) may be subject to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority, which may include and result in any of the following, or some combination thereof: (1) the cancellation of such securities; (2) the transfer of such securities to creditors of BBVA; (3) the conversion of other securities or obligations of BBVA into ordinary shares of BBVA thereby diluting the shareholding of the holders of ordinary shares; and (4) the variation of the terms of such securities or the rights of the holders thereunder, including to give effect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority. The applicable prospectus supplement may describe in further detail the effect that the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority may have on our ordinary shares and the rights of the holders (including the beneficial owners) thereof.

DESCRIPTION OF BBVA AMERICAN DEPOSITARY SHARES

The depositary, The Bank of New York Mellon, registers and delivers BBVA ADSs. Each BBVA ADS represents an ownership interest in one ordinary share. The ordinary shares will be deposited with BBVA, The Bank of New York Mellon's custodian in Spain. Each BBVA ADS will also represent securities, cash or other property deposited with The Bank of New York Mellon but not distributed to BBVA ADS holders. The Bank of New York Mellon's corporate trust office is located at 101 Barclay Street, New York, NY 10286 and its principal executive office is located at One Wall Street, New York, NY 10286.

You may hold BBVA ADSs either (A) directly (i) by having an American Depositary Receipt, also referred to as a BBVA ADR, which is a certificate evidencing a specific number of BBVA ADSs, registered in your name, or (ii) by having BBVA ADSs registered in your name in the Direct Registration System ("DRS"), or (B) indirectly by holding a security entitlement in BBVA ADSs through your broker or other financial institution. If you hold BBVA ADSs directly, you are an ADS registered holder. The information provided in this section "Description of BBVA American Depositary Shares" assumes you are an ADS registered holder. If you hold the BBVA ADSs indirectly, you must rely on the procedures of your broker or other financial institution to assert the rights of BBVA ADS registered holders described herein. You should consult with your broker or financial institution to find out what those procedures are.

The DRS is a system administered by The Depository Trust Company ("DTC") pursuant to which the depositary may register the ownership of uncertificated ADSs, which ownership will be evidenced by periodic statements sent by the depositary to the registered holders of uncertificated ADSs.

BBVA ADS holders are not BBVA shareholders and do not have shareholder rights. Because The Bank of New York Mellon will actually hold the underlying ordinary shares, you must rely on The Bank of New York Mellon to exercise the rights of a shareholder. The obligations of The Bank of New York Mellon are set out in an amended and restated deposit agreement dated as of June 29, 2007 among BBVA, The Bank of New York Mellon, as depositary, and BBVA ADS holders, which is referred to as the deposit agreement. The deposit agreement and the BBVA ADSs are governed by New York law.

The following is a summary of the deposit agreement. Because it is a summary, it does not contain all the information that may be important to you. For more complete information, you should read the entire deposit agreement and the BBVA ADR. Copies of the deposit agreement and the form of BBVA ADR are available for inspection at the corporate trust office of The Bank of New York Mellon at the address set forth above.

Deposit and Withdrawal of Deposited Securities

The depositary has agreed that upon the execution in favor of the depositary or its nominee and delivery to the custodian or depositary (if to the depositary, then at the expense and risk of the depositor) of either (i) a certificate of title which has been executed by a Spanish stockbroker and, if required, certificates representing such shares to the custodian together with any documents and payments required under the deposit agreement or (ii) any other evidence of ownership of shares as recognized under the laws of Spain from time to time, and acceptable to the custodian, the depositary will have for delivery at the depositary's corporate trust office to or upon the order of the person specified by the depositor at the address set forth above, upon payment of the fees, charges and taxes provided in the deposit agreement, registered in the name of such person or persons as specified by the depositor, the number of BBVA ADSs issuable in respect of such deposit.

Upon surrender of BBVA ADSs at the depositary's corporate trust office, together with written instructions from the person or persons in whose name the BBVA ADSs are registered, and upon payment of such charges as are provided in the deposit agreement and subject to its terms, the depositary will request the execution of evidence of ownership in favor of such persons designated in the written instrument and the delivery of such evidence of ownership (by book-entry transfer or physical delivery) of the deposited shares represented by the surrendered BBVA ADSs and any other property that the surrendered BBVA ADSs represent the right to receive. Such delivery is to take place at the office of the custodian or at the depositary's office as the person designated in the written instructions may request.

If a person presents for deposit shares with different distribution rights than other deposited shares, the depositary must identify them separately until such time as the distribution rights are the same.

Pre-Release of BBVA ADSs

In certain circumstances, subject to the provisions of the deposit agreement, and with BBVA's written consent, The Bank of New York Mellon may execute and deliver BBVA ADSs before the deposit of the underlying shares. This is called a pre-release of the BBVA ADS. The Bank of New York Mellon may receive BBVA ADSs instead of shares to close out a pre-release.

Each pre-release will be:

- fully collateralized with cash, U.S. government securities or other collateral that The Bank of New York Mellon determines in good faith will provide substantially similar liquidity and security;
- preceded or accompanied by written representation and agreement from the person to whom BBVA ADSs are to be delivered that the person, or its customer:
  - owns the shares to be remitted;
  - assigns all beneficial rights, title and interest in such shares to the depositary in its capacity as such, and for the benefit of the holders; and
  - will not take any action with respect to such shares that is inconsistent with the transfer of beneficial ownership (including, without the consent of the depositary, disposing of such shares, other than in satisfaction of such pre-release);
- terminable by the depositary on not more than five business days' notice; and
- subject to such further indemnities and credit regulations that The Bank of New York Mellon considers appropriate.

The Bank of New York Mellon must be able to close out the pre-release on not more than five business days' notice. In addition, The Bank of New York Mellon will limit the number of BBVA ADSs that may be outstanding at any time as a result of pre-release, although The Bank of New York Mellon may disregard the limit from time to time, if it thinks it is appropriate to do so. The Bank of New York Mellon may also, as it deems appropriate, set U.S. dollar limits with respect to any particular pre-release on a case by case basis.

The pre-release will be subject to such indemnities and credit regulations as The Bank of New York Mellon considers appropriate.

Dividends, Other Distributions and Rights

The depositary has agreed to pay to holders of BBVA ADSs the cash dividends or other distributions it or the custodian receives on shares or other deposited securities after deducting its fees and expenses and according to applicable law. Holders of BBVA ADSs will receive these distributions in proportion to the number of shares their BBVA ADSs represent.

Cash. The Bank of New York Mellon will convert all cash dividends and other cash distributions in a foreign currency that it receives in respect of the deposited securities into U.S. dollars if in its judgment it can do so on a reasonable basis and can transfer the U.S. dollars to the United States.

Before making a distribution, any withholding taxes that must be paid will be deducted. The Bank of New York Mellon will distribute only whole U.S. dollars and cents. If the exchange rates fluctuate during a time when The Bank of New York Mellon cannot convert euros, holders of BBVA ADSs may lose some or all of the value of the distribution.

Ordinary Shares. If a distribution by BBVA consists of a dividend in, or free distribution of, ordinary shares, The Bank of New York Mellon may, or if BBVA requests, will, subject to the deposit agreement, distribute to the holders of outstanding BBVA ADSs, in proportion to their holdings, additional BBVA ADSs representing the number of ordinary shares received as such dividend or free distribution if BBVA furnishes it with evidence that it is legal to do so. The Bank of New York Mellon will only distribute whole BBVA ADSs. It will sell ordinary shares which would require it to deliver fractional BBVA ADSs and distribute the net proceeds thereof in the same way as it does with cash. If the additional BBVA ADSs are not so distributed, each BBVA ADS will represent the additional ordinary shares distributed in respect of the ordinary shares represented by such BBVA ADS prior to such dividend or free distribution.

Rights. If BBVA offers or causes to be offered to the holders of shares any rights to subscribe for additional shares or any rights of any other nature, The Bank of New York Mellon will either:

- make such rights available to holders of BBVA ADSs by means of warrants or otherwise, if The Bank of New York Mellon determines that it is lawful and feasible to do so; or
- if making such rights available is determined by The Bank of New York Mellon not to be lawful and feasible, or if the rights represented by such warrants or other instruments are not exercised and appear to be about to lapse, sell such rights or warrants or other instruments:
  - on a stock exchange on which such rights are listed;
  - on an over-the-counter market on which such rights are traded; or
  - with the written approval of BBVA, at a private sale,

at such place or places and upon such terms as The Bank of New York Mellon may deem proper, and allocate the proceeds of such sales for the account of the holders of the BBVA ADSs entitled to those proceeds, upon an averaged or other practicable basis without regard to any distinctions among such holders of BBVA ADSs due to exchange restrictions, or the date of delivery of any ADSs or otherwise.

The net proceeds allocated to the holders of BBVA ADSs so entitled will be distributed to the extent practicable in the case of a distribution in cash. The Bank of New York Mellon will not offer such rights to holders of BBVA ADSs having an address in the United States unless BBVA furnishes to The Bank of New York Mellon (i) evidence that a registration statement under the Securities Act is in effect or (ii) an opinion from U.S. counsel for BBVA, in a form satisfactory to The Bank of New York Mellon, to the effect that such distribution does not require registration under the provisions of the Securities Act.

Ordinary shares issuable upon exercise of preemptive rights must be registered under the Securities Act in order to be offered to holders of BBVA ADSs. If BBVA decided not to register those ordinary shares, the preemptive rights would not be distributed to holders of BBVA ADSs. Pursuant to the deposit agreement under which the BBVA ADSs are issued, however, the depositary will use its best efforts to sell such rights that it receives and will distribute the proceeds of the sale to holders of BBVA ADSs.

Other Distributions. The Bank of New York Mellon will remit to holders of BBVA ADSs any other item of value BBVA distributes on deposited securities by any means it thinks is legal, fair and practical. If it cannot make the distribution in that way, The Bank of New York Mellon may adopt such method as it may deem equitable and practicable for the purpose of effecting such distribution. The Bank of New York Mellon may sell, publicly or privately, what BBVA distributed and distribute the net proceeds in the same way as it does with cash.

The Bank of New York Mellon is not responsible if it decides that it is unlawful or impractical to make a distribution available to any BBVA ADS holders. BBVA has no obligations to register BBVA ADSs, ordinary shares, rights or other securities under the Securities Act. BBVA also has no obligation to take any other action to permit the distribution of BBVA ADSs, ordinary shares, rights or anything else to BBVA ADS holders. This means that holders of BBVA ADSs may not receive the distribution BBVA makes on its shares or any value for them if it is illegal or impractical for BBVA to make them available to them.

Payment of Taxes

Holders of BBVA ADSs will be responsible for any taxes or other governmental charges payable on their BBVA ADSs or on the deposited securities underlying their BBVA ADSs, including any taxes payable on transfer. The Bank of New York Mellon may, and upon instruction from BBVA, will:

- refuse to effect any registration of transfer of such receipt or any split-up or combination thereof or any withdrawal of such deposited securities until such payment is made; or
- withhold or deduct from any distributions on such deposited securities or sell for the account of the holder thereof any part or all of such deposited securities (after attempting by reasonable means to notify such holder prior to such sale), and apply, after deduction for its expenses incurred in connection therewith, the net proceeds of any such sale in payment of such tax or other governmental charge, the holder of such receipt remaining liable for any deficiency.

Record Dates

The Bank of New York Mellon will fix a record date to establish which holders of BBVA ADSs are entitled to:

- receive a dividend, distributions or rights;
- receive the net proceeds of any sale;
- give instructions for the exercise of voting rights at any such meeting; and
- receive notice or solicitation to act in respect of any matter.

Voting of the Underlying Deposited Securities

BBVA has agreed in the depositary agreement that (i) the depositary or its nominee, whichever is the registered holder of the ordinary shares represented by the BBVA ADSs, will have the same rights as any other registered holder of ordinary shares and (ii) consistent with BBVA's bylaws, BBVA will observe the right of the depositary, its nominee or registered holder of the ordinary shares to attend any ordinary or extraordinary general shareholders' meeting and to vote or cause to be voted by proxy the ordinary shares with respect to the BBVA ADSs and that BBVA will not exercise any right it may have under its bylaws to reject or in any way impair such rights.

Once The Bank of New York Mellon receives notice in English of any matter affecting holders of ordinary shares, it will mail, as soon as practicable, such notice to the holders of BBVA ADSs. The notice will (i) contain the information in the notice of meeting, (ii) explain how holders as of a certain date may instruct The Bank of New York Mellon to vote the shares underlying their BBVA ADSs and (iii) contain a statement as to the manner in which instructions may be given.

The record holders of BBVA ADSs can instruct The Bank of New York Mellon to vote the shares underlying their BBVA ADSs. The Bank of New York Mellon will try, insofar as practicable, to cause the ordinary shares so represented to be voted in accordance with any nondiscretionary written instructions of BBVA ADS record holders received.

In the event the BBVA ADS record holders do not provide written instructions by a specified date, The Bank of New York Mellon will deem the BBVA ADR holder to have instructed it to give discretionary proxy to a person designated by the BBVA Board of Directors. However, this proxy must not be given to such a person if the board informs The Bank of New York Mellon, in writing, that the board either does not wish the proxy to be given, that substantial opposition exists or that the matter at hand materially affects the rights of BBVA shareholders.

Facilities and Register

The Bank of New York Mellon will maintain at its transfer office:

- facilities for the delivery and surrender of ordinary shares;
- facilities for the withdrawal of ordinary shares;
- facilities for the execution and delivery, registration, registration of transfer, combination and split-up of BBVA ADSs and the withdrawal of deposited securities; and
- a register for the registration and transfer of BBVA ADSs which, at all reasonable times, shall be open for inspection by holders of BBVA ADSs.

Reports and Notices

The Bank of New York Mellon will, at BBVA's expense:

- arrange for the custodian to provide The Bank of New York Mellon copies in English of any reports and other communications that are generally made available by BBVA to holders of ordinary shares; and
- arrange for the mailing of such copies to all holders of BBVA ADSs.

BBVA has delivered to The Bank of New York Mellon and the custodian a copy of the provisions of or governing ordinary shares. Promptly after any amendment, BBVA will deliver to The Bank of New York Mellon and the custodian a copy in English of such amended provisions. The Bank of New York Mellon may rely upon such copy for all the purposes of the deposit agreement.

The Bank of New York Mellon will, at BBVA's expense, make available for inspection by BBVA ADS holders at the corporate trust office, the office of the custodian and at any other designated transfer office any reports and communications received from BBVA that are made generally available to holders of ordinary shares.

Amendment and Termination of the Deposit Agreement

The BBVA ADSs and the deposit agreement may at any time be amended by agreement between BBVA and The Bank of New York Mellon.

Any amendment that would impose or increase any charges (other than transmission and delivery charges incurred at the request of depositors of ordinary shares or holders of BBVA ADSs, transfer, brokerage, registration fees and charges in connection with conversion of currencies, and taxes and other governmental charges) or that will otherwise prejudice any substantial existing right of BBVA ADS holders will not become effective as to outstanding BBVA ADRs until three months have expired after notice of such amendment has been given to the holders of the BBVA ADRs.

In no event will any amendment impair the right of any BBVA ADS holder to surrender such BBVA ADSs and receive in return the ordinary shares and other property which those surrendered BBVA ADSs represent, except in order to comply with mandatory provisions of applicable law.

At BBVA's direction, The Bank of New York Mellon will terminate the deposit agreement by giving notice of such termination to the record holders of BBVA ADSs at least 30 days prior to the date fixed in that notice for the termination. The Bank of New York Mellon may terminate the deposit agreement at any time commencing 90 days after delivery of a written resignation, provided that no successor depositary has been appointed and no successor depositary has accepted its appointment before the end of those 90 days.

After the date that has been fixed for termination, The Bank of New York Mellon and its agents will perform no further acts under the deposit agreement, other than:

- advise record holders of BBVA ADSs of such termination;
- receive and hold distributions on ordinary shares; and
- deliver ordinary shares and distributions in exchange for BBVA ADSs surrendered to The Bank of New York Mellon.

As soon as practicable after the expiration of six months from the date that has been fixed for termination, The Bank of New York Mellon will sell ordinary shares and other deposited securities and may hold the net proceeds of any such sale together with any other cash then held by it under the provisions of the deposit agreement, without liability for interest, for the *pro rata* benefit of the holders of BBVA ADRs that have not yet surrendered their BBVA ADRs.

Fees and Expenses

The table below sets forth the fees payable, either directly or indirectly, by a holder of ADSs:

Category	Depositary Actions	Associated Fee / By Whom Paid
(a) Depositing or substituting the underlying shares	Issuance of ADSs	Up to $5.00 for each 100 ADSs (or portion thereof) delivered (charged to person depositing the shares or receiving the ADSs)
(b) Receiving or distributing dividends	Distribution of cash dividends or other cash distributions; distribution of share dividends or other free share distributions; distribution of securities other than ADSs or rights to purchase additional ADSs	Not applicable

Category	Depositary Actions	Associated Fee / By Whom Paid
(c) Selling or exercising rights	Distribution or sale of securities	Not applicable
(d) Withdrawing an underlying security	Acceptance of ADSs surrendered for withdrawal of deposited securities	Up to $5.00 for each 100 ADSs (or portion thereof) surrendered (charged to person surrendering or to person to whom withdrawn securities are being delivered)
(e) Transferring, splitting or grouping receipts	Transfers, combining or grouping of depositary receipts	Not applicable
(f) General depositary services, particularly those charged on an annual basis	Other services performed by the depositary in administering the ADSs	Not applicable
(g) Expenses of the Depositary	Expenses incurred on behalf of holders in connection with • stock transfer or other taxes (including Spanish income taxes) and other governmental charges; • cable, telex and facsimile transmission and delivery charges incurred at request of holder of ADS or person depositing shares for the issuance of ADSs; • transfer, brokerage or registration fees for the registration of shares or other deposited securities on the share register and applicable to transfers of shares or other deposited securities to or from the name of the custodian; • reasonable and customary expenses of the depositary in connection with the conversion of foreign currency into U.S. dollars	Expenses payable by holders of ADSs or persons depositing shares for the issuance of ADSs; expenses payable in connection with the conversion of foreign currency into U.S. dollars are payable out of such foreign currency

The depositary collects its fees for delivery and surrender of BBVA ADSs directly from investors depositing shares or surrendering ADSs for the purpose of withdrawal or from intermediaries acting for them. The depositary may generally refuse to provide fee-attracting services until its fees for those services are paid.

From time to time, the depositary may make payments to us to reimburse and/or share revenue from the fees collected from ADS holders, or waive fees and expenses for services provided, generally relating to costs and expenses arising out of establishment and maintenance of the BBVA ADS program. In performing its duties under the deposit agreement, the depositary may use brokers, dealers or other service providers that are affiliates of the depositary and that may earn or share fees or commissions.

Limitations on Obligations and Liability to BBVA ADS Holders

The deposit agreement expressly limits BBVA's obligations and the obligations of The Bank of New York Mellon, and it limits BBVA's liability and the liability of The Bank of New York Mellon. BBVA and The Bank of New York Mellon:

- are only obligated to take the actions specifically set forth in the deposit agreement without negligence or bad faith;

- are not liable for any action or inaction if either relies upon the advice of, or information from, legal counsel, accountants, any person presenting shares for deposit, any holder, or any other person believed to be competent to give such advice or information;
- are not liable if either is prevented or delayed by law or circumstances beyond their control from performing their obligations under the deposit agreement;
- are not liable if either exercises discretion permitted under the deposit agreement;
- have no obligation to become involved in a lawsuit or other proceeding related to the BBVA ADSs or the deposit agreement on behalf of holders of BBVA ADSs or on behalf of any other party; and
- may rely upon any documents they believe to be genuine and to have been signed or presented by the proper party.

The Bank of New York Mellon will not be liable for its failure to carry out any instructions to vote BBVA's securities or for the effects of any such vote.

Other General Limitations on Liability to BBVA ADS Holders

Neither The Bank of New York Mellon, its agents, nor BBVA will incur any liability if prevented or delayed in performing its obligations under the deposit agreement by reason of:

- any present or future law;
- any act of God;
- a war;
- the threat of any civil or criminal penalty; or
- any other circumstances beyond their respective control.

The obligations and liabilities of BBVA and its agents and The Bank of New York Mellon and its agents under the deposit agreement are expressly limited to performing their respective obligations specifically set forth and undertaken by them to perform in the deposit agreement without negligence or bad faith.

In the deposit agreement, BBVA and The Bank of New York Mellon agree to indemnify each other under certain circumstances.

General

The Bank of New York Mellon will act as registrar of the BBVA ADSs or, upon BBVA's request or approval, appoint a registrar or one or more co-registrars for registration of the BBVA ADRs evidencing the BBVA ADSs in accordance with the requirements of NYSE or of any other stock exchange on which the BBVA ADSs may be listed. Such registrars or co-registrars may be removed and a substitute or substitutes appointed by The Bank of New York Mellon upon BBVA's request or with BBVA's approval.

Any transfer of the BBVA ADSs is registrable on the books of The Bank of New York Mellon. However, The Bank of New York Mellon may close the transfer books at any time or from time to time when it deems expedient in connection with the performance of its duties or at BBVA's request.

As a condition precedent to the execution and delivery, registration of transfer, split-up or combination of any BBVA ADS or the delivery of any distribution or the withdrawal of any ordinary shares or any property represented by the BBVA ADS, The Bank of New York Mellon or the custodian may, and upon BBVA's instructions will, require from the BBVA ADR holder or the presenter of the BBVA ADS or the depositor of the ordinary shares:

- payment of a sum sufficient to pay or reimburse the custodian, The Bank of New York Mellon or BBVA for any tax or other governmental charge and any stock transfer or brokerage fee or any charges of the depositary upon delivery of the BBVA ADS or upon surrender of the BBVA ADS, as set out in the deposit agreement;
- the production of proof satisfactory to The Bank of New York Mellon or custodian of:
  - identity or genuineness of any signature; and
  - citizenship, residence, exchange control approval, and legal or beneficial ownership;

- compliance with all applicable laws and regulations including the delivery of any forms required by Spanish law or custom in connection with the execution or delivery of evidence of ownership, with all applicable provisions of or governing the shares or any other deposited securities and with the terms of the deposit agreement; or
- other information deemed necessary or proper.

The delivery, registration of transfer, split-up or combination of BBVA ADSs, or the deposit or withdrawal of shares or other property represented by BBVA ADSs, in any particular instance or generally, may be suspended during any period when the BBVA ADSs register is closed, or when such action is deemed necessary or advisable by The Bank of New York Mellon or BBVA at any time or from time to time.

Holders have the right to cancel their BBVA ADSs and withdraw the underlying shares at any time except:

- when temporary delays arise because The Bank of New York Mellon or BBVA has closed its transfer books or the deposit of shares in connection with voting at a shareholders' meeting or the payment of dividends;
- when BBVA ADS holders owe money to pay fees, taxes and similar charges; or
- when it is necessary to prohibit withdrawals in order to comply with any laws or governmental regulations that apply to BBVA ADSs or to the withdrawal of shares or other deposited securities.

This right of withdrawal may not be limited by any other provision of the deposit agreement.

The Bank of New York Mellon, upon BBVA's request or with BBVA's approval, may appoint one or more co-transfer agents for the purpose of effecting registrations of transfers, combinations and split-ups of BBVA ADSs at designated transfer offices on behalf of The Bank of New York Mellon. In carrying out its functions, a co-transfer agent may require evidence of authority and compliance with applicable laws and other requirements by holders of BBVA ADSs and will be entitled to protection and indemnity to the same extent as The Bank of New York Mellon.

Direct Registration System

In the deposit agreement, all parties to the deposit agreement acknowledge that the DRS and Profile Modification System ("Profile") will apply to uncertificated BBVA ADSs upon acceptance thereof to DRS by DTC. DRS is the system administered by DTC pursuant to which the depositary may register the ownership of uncertificated ADSs, which ownership will be evidenced by periodic statements sent by the depositary to the registered holders of uncertificated ADSs. Profile is a required feature of DRS which allows a DTC participant, claiming to act on behalf of a registered holder of uncertificated ADSs, to direct the depositary to register a transfer of those ADSs to DTC or its nominee and to deliver those ADSs to the DTC account of that DTC participant without receipt by the depositary of prior authorization from the ADS registered holder to register that transfer.

In connection with the arrangements and procedures relating to DRS and Profile, the parties to the deposit agreement understand that the depositary will not verify, determine or otherwise ascertain that the DTC participant that is claiming to be acting on behalf of a BBVA ADS registered holder in requesting registration of transfer and delivery described in the paragraph above has the actual authority to act on behalf of the ADS registered holder (notwithstanding any requirements under the Uniform Commercial Code). In the deposit agreement, the parties agree that the depositary's reliance on and compliance with instructions received by the depositary through DRS and Profile and in accordance with the deposit agreement, will not constitute negligence or bad faith on the part of the depositary.

BBVA ADSs Outstanding

As of July 26, 2016, there were 188,818,710 BBVA ADSs outstanding.

Exercise of Spanish Bail-in Power and other Resolution Tools

The ordinary shares of BBVA underlying the ADSs may be subject to the exercise of the Spanish Bail-in Power. See "Description of BBVA Ordinary Shares—Exercise of Spanish Bail-in Power and other Resolution Tools."

DESCRIPTION OF RIGHTS TO SUBSCRIBE FOR ORDINARY SHARES

We may issue rights to subscribe for our ordinary shares (including in the form of ADSs). The applicable prospectus supplement will describe the specific terms relating to such subscription rights and the terms of the offering, including, where applicable, some or all of the following:

- the title of the subscription rights;
- the exercise price for the subscription rights;
- the aggregate number of subscription rights issued;
- a discussion of the material U.S. federal, Spanish or other income tax considerations, as well as considerations under the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), applicable to the issuance of ordinary shares together with statutory subscription rights or the exercise of the subscription rights;
- any other terms of the subscription rights, including terms, procedures and limitations relating to the exercise of the subscription rights;
- the terms of the ordinary shares corresponding to the subscription rights;
- information regarding the trading of subscription rights, including the stock exchanges, if any, on which the subscription rights will be listed;
- the record date, if any, to determine who is entitled to the subscription rights and the ex-rights date;
- the period during which the subscription rights may be exercised;
- the extent to which the offering includes a contractual over-subscription privilege with respect to unsubscribed securities; and
- the material terms of any standby underwriting arrangement we enter into in connection with the offering.

DESCRIPTION OF THE NOTES OF BBVA

This section describes the general terms and provisions of the indenture dated as of July 28, 2016 (the "senior indenture") between BBVA as issuer and The Bank of New York Mellon as trustee, which sets forth certain provisions with respect to the senior notes that may be offered by BBVA, and the indenture dated as of July 28, 2016 (the "subordinated indenture") between BBVA as issuer and The Bank of New York Mellon as trustee, which sets forth certain provisions with respect to the subordinated notes that may be offered by BBVA. In this section "Description of the Notes of BBVA", we will refer to the senior notes and the subordinated notes as the "notes" and the senior indenture and the subordinated indenture as the "indentures". A prospectus supplement will describe the specific terms of a particular series of notes and any general terms outlined in this section that will not apply to those notes. If there is any conflict between the prospectus supplement and this prospectus, then the terms and provisions in the prospectus supplement apply unless they are inconsistent with the terms of the indentures or the supplemental indenture or Board resolution creating a particular series of notes.

All material information about the notes and indentures is summarized below and in the applicable prospectus supplement. Because this is only a summary, however, it does not contain all the details found in the full text of the indentures and the notes. If you would like additional information, you should read the indentures and the notes as well as the supplemental indenture or Board resolution creating a particular series of notes or the officer's certificate for such series. Whenever we refer to specific provisions of or terms defined in the indentures in this prospectus we incorporate by reference into this prospectus such specific provisions of or terms defined in the indentures.

BBVA may issue future notes under other indentures or documentation which contain provisions different from those included in the indentures described here. BBVA is not prohibited under the notes or indentures from paying any amounts due under any of its obligations at a time when they are in default or have failed to pay any amounts due under the notes or indentures.

The senior notes will be issued under the senior indenture and the subordinated notes will be issued under the subordinated indenture. Both such indentures have been filed with the SEC as exhibits to the registration statement that includes this prospectus. Each of the senior indenture and the subordinated indenture will be qualified under the Trust Indenture Act. Under the provisions of the Trust Indenture Act, if the same institution acts as trustee under the senior indenture and under the subordinated indenture, upon a default in any series of notes issued under either indenture, the trustee may be deemed to have a conflicting interest and may be required to resign and a successor trustee will be appointed.

General

The indentures do not limit the aggregate principal amount of notes that BBVA may issue under them.

Neither the indentures nor the notes will limit or otherwise restrict the amount of other indebtedness or other securities which BBVA or any of its subsidiaries may incur or issue. BBVA can issue notes from time to time in one or more series, up to any aggregate principal amount that BBVA may authorize. The notes will be direct, unconditional and unsecured debt obligations of BBVA.

The indentures provide that there may be more than one trustee under such indentures, each with respect to one or more series of notes. Any trustee may resign or be removed with respect to any series of notes issued under the indentures and a successor trustee may be appointed.

BBVA or any of its subsidiaries may at any time purchase senior notes or subordinated notes at any price in the open market or otherwise. Such notes purchased may be held, reissued, resold or surrendered to the relevant paying agent and/or the relevant registrar for cancellation, except that notes purchased by BBVA must be surrendered to the relevant paying agent and/or the relevant registrar for cancellation in accordance with prevailing Spanish law and the Bank of Spain's requirements.

Terms of the Notes Specified in the Applicable Prospectus Supplement

The applicable prospectus supplement will describe the terms of the offered notes, including, where applicable, some or all of the following:

- the title of the notes and series in which these notes will be included;
- any limit on the aggregate principal amount of the notes;

- whether the notes may be converted into or exercised or exchanged for debt or equity securities of BBVA or one or more third parties, the terms on which conversion, exercise or exchange may occur, including whether conversion, exercise or exchange is mandatory, at the option of the holder or at BBVA's option, the period during which conversion, exercise or exchange may occur, the initial conversion, exercise or exchange price or rate and the circumstances or manner in which the amount of securities issuable or deliverable upon conversion, exercise or exchange may be adjusted;
- the price or prices (expressed as a percentage of the aggregate principal amount thereof) at which the notes will be issued;
- if any of the notes are to be issuable in global form, when they are to be issuable in global form and (i) whether beneficial owners of interests in such notes may exchange such interests for notes of the same series and of like tenor and of any authorized form and denomination, and the circumstances under which any such exchanges may occur; (ii) the name of the depository with respect to any global note; and (iii) the form of any legend or legends that must be borne by any such note in addition to or in lieu of that set forth in the relevant indenture;
- the date or dates, or the method or methods, if any, by which such date or dates will be determined, on which the principal of the offered notes is payable and, if other than the full principal amount thereof, the portion payable or the method or methods by which the portion of the principal amount of the notes payable on such date or dates is determined;
- the rate or rates (which may be fixed or variable) at which the offered notes will bear interest, if any, or the method or methods, if any, by which such rate or rates will be determined and the manner upon which interest will be calculated if other than on the basis of a 360-day year of twelve 30-day months;
- the date or dates from which interest on the notes, if any, will accrue or the method or methods, if any, by which such date or dates will be determined;
- the date or dates on which such interest, if any, will be payable, the date or dates on which payment of such interest, if any, will commence and the regular record dates for the interest payment dates, if any;
- whether and under what circumstances additional amounts on the notes must be payable;
- the notice, if any, to holders of the notes regarding the determination of interest on a floating rate note and the manner of giving such notice;
- the date or dates on or after which, or the period or periods, if any, during which and the price or prices at which BBVA or the holders of the notes may, pursuant to any optional redemption provisions in addition to those set forth in the prospectus, redeem the notes, and the other terms and provisions of such optional redemption;
- if certificates representing the notes will be issued in temporary or permanent global form, the manner in which any principal, premium, if any, or interest payable on those global notes will be paid if other than as provided in the indentures;
- each office or agency where, subject to the terms of the indenture, the principal, premium and interest, if any, and additional amounts, if any, on the notes will be payable, where the notes may be presented for registration of transfer or exchange and where notices or demands to BBVA in respect of the notes or the indenture may be served;
- whether any of the notes are to be redeemable at the option of BBVA or of the holder thereof and, if so, the period or periods within which, the price or prices at which and the other terms and conditions upon which such notes may be redeemed, in whole or in part, at the option of BBVA or the holder and the terms and provisions of such optional redemption;
- whether BBVA is obligated to redeem or purchase any of the notes pursuant to any sinking fund or analogous provision or at the option of any holder thereof and, if so, the period or periods within which, the price or prices at which and the other terms and conditions upon which such notes must be redeemed or purchased, in whole or in part, pursuant to such obligation, and any provisions for the remarketing of such notes;
- the denomination in which the notes will be issuable;
- whether any of the notes will be issued as original issue discount notes;
- if other than the principal amount thereof, the portion of the principal amount of any of such notes that shall be payable upon declaration of acceleration of maturity thereof or the method by which such portion is to be determined;

- if other than U.S. dollars, the currencies or currency units in which the principal, premium, if any, interest, if any, and additional amounts, if any, for the notes will be payable and the manner of determining the equivalent of such currencies in U.S. dollars;
- whether the notes are senior notes issued pursuant to the senior indenture or subordinated notes issued pursuant to the subordinated indenture or whether the relevant prospectus supplement includes both types of notes;
- if BBVA or a holder may elect payment of the principal, premium, and interest or additional amounts, if any, on the notes in a currency or currencies, currency unit or units or composite currency different from the one in which the notes are denominated or stated to be payable, the period or periods within which and terms and conditions on which such election may be made, as well as the time and manner of determining the exchange rate;
- whether the amount of payments of principal of, premium and interest, if any, on or any additional amounts on the notes may be determined with reference to an index, formula or other method or methods which may, but need not be, based on one or more currencies, currency units or composite currencies, commodities, equity or other indices, and, if so, the terms and conditions upon which and the manner in which these amounts will be determined;
- any deletions, modifications or additions to the events of default or covenants of BBVA with respect to the notes set forth in the relevant indenture;
- the applicability of the defeasance provisions of the indenture applicable to such notes and any provisions in modification of, in addition to or in lieu of any of the defeasance provisions of the relevant indenture;
- if any notes are to be issuable upon the exercise of warrants, the time, manner and place for such notes to be authenticated and delivered;
- if any of the notes are to be issuable in global form and are to be issuable in definitive form (whether upon original issue or upon exchange of a temporary note) only upon receipt of certain certificates or other documents or satisfaction of other conditions, then the form and terms of such certificates, documents or conditions;
- if there is more than one trustee, the identity of the trustee and, if other than the applicable trustee, the identity of each security registrar, paying agent and authenticating agent;
- the "Stated Intervals" and the "Record Date" for purposes of Sections 312(a) (in the case of non-interest bearing notes) and 316(c), respectively, of the Trust Indenture Act;
- the deed of issuance (*escritura de emisión*), if required, which shall be in Spanish language, related to the notes;
- any material U.S. federal or Spanish income tax considerations applicable to the notes to the extent not described in this prospectus; and
- any other terms of the notes, which shall not be inconsistent with the provisions of the indentures (as amended, if applicable, by the relevant supplemental indenture).

BBVA may issue notes as original issue discount notes. An original issue discount note is a note, including a zero coupon note, offered at a discount from the principal amount of the note due at its maturity. The applicable prospectus supplement will describe any additional material U.S. federal income tax consequences, the amount payable in the event of an acceleration and other special factors applicable to any original issue discount notes.

Payments of Additional Amounts

Unless otherwise specified in the applicable prospectus supplement, any amounts to be paid with respect to the notes shall be paid without withholding or deduction for or on account of any and all present or future taxes or duties of whatever nature unless such withholding or deduction is required by law. Except as otherwise provided herein, in the event any such withholding or deduction is imposed or levied by or on behalf of Spain or any political subdivision or authority thereof or therein having the power to tax, BBVA will pay to the relevant holder such additional amounts as may be necessary in order that the net amounts received by the holder, after such withholding or deduction equals the respective amounts of principal, premium, if any, interest, if any, and sinking fund payments, if any, which would otherwise have been receivable in respect of the notes in the absence of such withholding or deduction; except that no such additional amounts will be payable with respect to any note:

(a) to, or to a third party on behalf of, a holder who is liable for such taxes or duties by reason of such holder (or the beneficial owner for whose benefit such holder holds such note) having some connection with Spain other than the mere holding of such note (or such beneficial interest) or the mere crediting of the note to such holder's account; or

(b) presented for payment (where presentation is required) more than 30 days after the Relevant Date (as defined below) except to the extent that the holder would have been entitled to additional amounts on presenting the same for payment on such thirtieth day assuming that day to have been a business day in such place of presentment; or

(c) in respect of any tax, assessment or other governmental charge that would not have been imposed but for the failure by the holder or beneficial owner of that note to comply with certification, information or other reporting requirements concerning the nationality, residence or identity of the holder or beneficial owner of that note, if compliance is required by statute or by regulation of Spain or of any political subdivision or taxing authority thereof or therein as a precondition to reduction of or relief or exemption from the tax, assessment or other governmental charge; or

(d) presented for payment (where presentation is required) by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant note to another paying agent; or

(e) in the event that such note is redeemed pursuant to a Redemption for Failure to List (as such term is defined below under "—Redemption—Early Redemption for Taxation or Listing Reasons").

Additional amounts will also not be paid with respect to any payment to a holder who is a fiduciary, a partnership, a limited liability company or other than the sole beneficial owner of that payment, to the extent that payment would be required by the laws of Spain (or any political subdivision thereof) to be included in the income, for Spanish tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership, an interest holder in that limited liability company or a beneficial owner who would not have been entitled to the additional amounts had it been the holder.

For the avoidance of doubt, no additional amounts will be paid by BBVA or any paying agent on account of any deduction or withholding from a payment on, or in respect of, the notes where such deduction or withholding is imposed pursuant to any agreement with the U.S. Internal Revenue Service in connection with Sections 1471-1474 of the U.S. Internal Revenue Code and the U.S. Treasury regulations thereunder ("FATCA"), any intergovernmental agreement between the United States and Spain or any other jurisdiction with respect to FATCA, or any law, regulation or other official guidance enacted in any jurisdiction implementing, or relating to, FATCA or any intergovernmental agreement.

As used above, "Relevant Date" means the date on which any payment first becomes due and payable, except that if the full amount of the moneys payable has not been received by the paying agent on or prior to such due date, it means the first date on which, the full amount of such moneys having been so received and being available for payment to the holders and notice to that effect is duly given to the holders in accordance with the provisions set forth under "—Notices" below.

Any reference to principal, interest or premium shall be deemed to include additional amounts to the extent payable in respect thereof.

Redemption

Optional Redemption

The applicable prospectus supplement will indicate, if applicable, the date or dates on or after which, or the period or periods, if any, during which and the price or prices at which BBVA or the holders of the notes may, pursuant to any optional redemption provisions in addition to those set forth below, redeem the notes, and the other terms and provisions of such optional redemption.

Early Redemption for Taxation or Listing Reasons

BBVA may, in compliance with the applicable capital adequacy regulations from time to time in force, redeem the notes of any series it has issued, subject to the restrictions described in this section and, in the case of subordinated notes, to the Bank of Spain's prior approval, which under current Spanish bank regulations may not be sought prior to the fifth anniversary of the issuance of the series of subordinated notes. Subject to such restrictions, BBVA may, at its option, redeem a series of notes it has issued in whole, but not in part, at any time with not less than 30 days nor more than 60 days' notice given in the manner described under "—Notices" below and in the applicable prospectus supplement and indenture.

The redemption price will be equal to 100% of the principal amount (or such other early tax redemption amount as may be specified in the applicable prospectus supplement) plus interest accrued to the date fixed for redemption.

Unless otherwise provided in the notes of any series, all (but not less than all) of the notes of any series may be redeemed at the option of BBVA, if, as a result of any change in or amendment to the laws or regulations of Spain (including any treaty to which Spain is a party) or any political subdivision or any authority or agency thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change, amendment, application or interpretation becomes effective on or after the date of the applicable prospectus supplement, either (i) BBVA would become obligated to pay additional amounts in making any payments under the notes, as described in the section entitled "—Payments of Additional Amounts" above, with respect to such payment, or (ii) BBVA would not be entitled to claim a deduction in computing tax liabilities in Spain in respect of any interest to be paid on the next interest payment date on such notes or the value of such deduction to BBVA would be materially reduced, *provided* that in the case of (i) above BBVA is not permitted to give notice to the trustee of the redemption earlier than 60 days prior to the earliest date on which BBVA would be obligated to deduct or withhold tax or pay additional amounts were a payment on the notes then due.

If BBVA elects to redeem the notes of any series, the applicable redemption price will become due and payable on such notes or portion thereof to be redeemed and, if applicable, they they will cease to accrue interest from the redemption date, unless BBVA fails to pay the redemption price on such redemption date.

In the case of any merger, consolidation, sale, conveyance or lease not considered an event of default, or in the case of any assumption of obligations under the notes of any series permitted by the applicable indenture by a successor, if the acquiring, resulting or successor person is not incorporated or tax resident in Spain, the acquiring, resulting or successor person will also be entitled to redeem the notes in the circumstances described above for any change or amendment to, or change in the application or official interpretation of, the laws or regulations of such person's jurisdiction of incorporation or tax residence, which change or amendment must, in the case of a substituted issuer, occur subsequent to the date of the merger, consolidation, sale, conveyance, lease or assumption.

In addition, if any series of notes is not listed on an organized market in an Organization for Economic Co-operation and Development ("OECD") country by the date that is 45 days prior to the initial interest payment date on such series of notes, BBVA may, at its election and having given no less than 15 days' notice to the holders of such series of notes in accordance with the terms described below under "—Notices" and in the applicable prospectus supplement and indenture, redeem all of the outstanding notes of such series at their principal amount, together with accrued interest, if any, thereon to but not including the redemption date (any such redemption, a "Redemption for Failure to List"); *provided* that from and including the issue date of the notes of such series to and including such interest payment date, BBVA will use its reasonable efforts to obtain or maintain such listing, as applicable. See "—Common Terms" below.

In the event of a Redemption for Failure to List, BBVA will be required to withhold tax and will pay interest in respect of the principal amount of the notes redeemed net of the Spanish withholding tax applicable to such payments (currently 19%). If this were to occur, BBVA would not pay additional amounts and beneficial owners would have to follow the procedures set forth in the relevant prospectus supplement in order to apply directly to the Spanish tax authorities for any refund to which they may be entitled.

Common Terms

If BBVA or the holders have elected to redeem the notes of any series but prior to the deposit with the trustee or with a paying agent, as the case may be, of the redemption price with respect to such redemption the Relevant Spanish Resolution Authority exercises its Spanish Bail-in Power with respect to such notes, the

relevant redemption notice shall be automatically rescinded and shall be of no force and effect, and no payment of the redemption price (and any accrued interest and additional amounts payable under the relevant indenture) will be due and payable.

Form, Transfer, Payment and Paying Agents

Unless otherwise indicated in the applicable prospectus supplement, each series of notes will be issued in registered form only, without coupons. There will not be any service charge for any transfer or exchange of notes payable to BBVA, but BBVA may require payment to cover any tax or other governmental charge payable and any other expenses (including the fees and expenses of the trustee) that may be imposed in that regard.

Unless the applicable prospectus supplement provides otherwise, the principal, premium and interest (and any additional amounts) on the notes of a particular series will be payable, and transfer or exchange of the notes will be registrable, at the corporate trust office of The Bank of New York Mellon under the applicable indenture. However, if specified in the applicable prospectus supplement, BBVA may elect to pay any interest by check mailed to the address of the entitled person as it appears in the security register at the close of business on the regular record date for the interest or by transfer to an account maintained by the payee with a bank located in the United States.

Unless the applicable prospectus supplement provides otherwise, payment of interest on and any additional amounts with respect to a note on any interest payment date will be made to the person in whose name the note is registered at the close of business on the regular record date for the interest.

Global Certificates

BBVA may issue the notes of a series in whole or in part in the form of one or more global certificates representing the notes. Unless otherwise stated in the applicable prospectus supplement, DTC will act as securities depository for the notes. Therefore, BBVA will issue the notes only as registered securities registered in the name of Cede & Co. (DTC's nominee) and will deposit with DTC one or more registered certificates representing in aggregate the total number of such notes.

As long as DTC or its nominee is the registered holder of a global certificate representing notes, DTC or its nominee, as the case may be, will be considered the sole owner and holder of the notes represented by that global certificate for all purposes under the applicable indenture and the notes. Except as described below, owners of beneficial interests in a note represented by a global certificate will not be entitled to have the notes represented by such global certificate registered in their names, will not receive or be entitled to receive physical delivery of certificated notes and will not be considered the holders of such notes under the applicable indenture. Accordingly, each person owning a beneficial interest in a note represented by a global certificate must rely on the procedures of DTC and, if that person is not a participant in DTC, on the procedures of the participant in DTC through which the person owns its interest, to exercise any rights of a beneficial owner under the applicable indenture.

Beneficial interests in notes of any series represented by a global certificate will be exchangeable for notes of such series represented by individual security certificates, or certificated notes, and registered in the name or names of owners of such beneficial interests as specified in instructions provided by DTC to the trustee only if: (i) the depository is at any time unwilling, unable or ineligible to continue as depository or has ceased to be a clearing agency registered under the Exchange Act and, in either case, a successor depository is not appointed by BBVA within 60 days of the date BBVA is so informed in writing; (ii) BBVA executes and delivers to the trustee a company order to the effect it has elected to cause the issuance of definitive registered securities, (iii) an event of default has occurred and is continuing with respect to the securities, or (iv) there shall exist such circumstances, if any, in addition to or in lieu of the foregoing as have been specified for this purpose as contemplated by the relevant prospectus supplement.

Outstanding Notes

In determining whether the holders of the requisite principal amount of outstanding notes of a series have given any request, demand, authorization, direction, notice, consent or waiver under the notes of such series or the relevant indenture, any note owned by BBVA or any other obligor upon the notes or any affiliate of BBVA or such other obligor (if any such notes are so owned), will be deemed not to be outstanding. In addition, the portion

of the principal amount of an original issue discount note (if any) that will be outstanding will be the amount that would be declared due and payable as of the date of determination and, unless the applicable prospectus supplement provides otherwise, the principal amount of an indexed note (if any) that will be outstanding will be the principal face amount determined on the date of its original issuance.

Modifications and Waivers

Modification of the Indenture With Consent of Holders

BBVA and the applicable trustee may amend or modify the applicable indenture and may waive any future compliance with such indenture by BBVA with the consent, as evidenced in an Act or Acts (as defined in the relevant indenture), of the holders of not less than a majority in principal amount of the outstanding notes of each series affected thereby voting as a class. However, the modification, amendment or waiver may not, without the consent or the affirmative vote of the holder of each note affected:

- change the stated maturity of the principal of, or any premium or installment of interest on or any additional amounts with respect to, any note, or reduce the principal amount thereof or the rate of interest thereon (except that holders of not less than 75% in principal amount of outstanding notes of a series may consent by Act, on behalf of the holders of all of the outstanding notes of such series, to the postponement of the stated maturity of any installment of interest for a period not exceeding three years from the original stated maturity of such installment (which original stated maturity shall have been fixed, for the avoidance of doubt, prior to any previous postponements of such installment)) or any additional amounts with respect thereto;
- change any premium payable upon the redemption of such notes or otherwise;
- change the obligation of BBVA to pay additional amounts;
- reduce the amount of the principal of an original issue discount note (if any) that would be due and payable upon a declaration of acceleration of the maturity of the note or the amount thereof provable in bankruptcy;
- change the redemption provisions or adversely affect the right of repayment at the option of the holder;
- change the place of payment or currency in which the payment of principal, any premium, interest or any additional amounts is payable;
- impair the right to take legal action to enforce the payment when due of principal, any premium, interest or any additional amounts with respect to the notes;
- reduce the percentage in principal amount of notes outstanding the consent of whose holders is required to modify or amend the indenture or the terms and conditions of the notes or to waive a default under or compliance with any note or reduce the requirement for a quorum or voting;
- modify the provisions governing modification of such indenture with the consent of holders or give waivers of past defaults, and the consequences of such defaults, except to increase the percentage of outstanding notes of such series the consent of whose holders is required to modify and amend such indenture or to give any such waiver and except to provide that additional provisions of such indenture cannot be modified or waived without the consent of each holder of notes affected thereby; or
- change in any manner adverse to the interests of the holders of outstanding notes of any series the terms and conditions of the obligations of BBVA in respect of the due and punctual payment of principal, premium or interest or sinking fund payments, including any additional amounts;

except in each case with respect to any modification or amendment of the applicable indenture which is entered into as a result of, and to the extent required by, the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority (in which case neither the consent nor the affirmative vote of any holder of any note affected will be required).

The holders of not less than a majority in principal amount of the outstanding notes of any series on behalf of the holders of all the notes of such series may, by Act, waive any past default under the indenture with respect to that series, except a default in payment of the principal of or any premium or interest on or any additional amounts wth respect to, any notes of such series or in respect of certain covenants or provisions specified in the relevant indenture which cannot be modified or amended without the consent of each affected holder of outstanding notes of such series.

Modification of the Indenture without Consent of Holders

BBVA and the applicable trustee may modify and amend the applicable indenture without the consent of the holders to:

- evidence the succession of another entity to BBVA, and the assumption by any such successor of the covenants of BBVA in such indenture and in the notes;
- add to covenants of BBVA for the benefit of the holders of all or any series of notes or to surrender any right or power conferred upon BBVA;
- establish the form or terms of notes of any series;
- provide for the appointment of a successor trustee and to add to or change any of the provisions of such indenture to provide for or facilitate the administration of trusts under the indenture;
- cure any ambiguity or correct or supplement any defect or inconsistency in such indenture, or make any other provisions with respect to matters or questions arising under such indenture which do not adversely affect the interests of the holders of notes of any series in any material respect;
- add to, delete from or revise the conditions, limitations and restrictions on the authorized amount, terms or purposes of issue, authentication and delivery of notes;
- supplement any of the provisions of such indenture to such extent as shall be necessary to permit or facilitate the defeasance and discharge of any series of notes, provided such action does not adversely affect the interests of any holders of notes of such series or any other series in any material respect;
- add any additional events of default for the benefit of the holders of all or any series of notes;
- secure any notes;
- delete, amend or supplement any provision of such indenture or any indenture supplement thereto, provided such actions will not materially adversely affect the interests of the holders of notes then outstanding; or
- delete, amend or supplement any provision of such indenture or any indenture supplement thereto as a result of, and to the extent required by, the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority.

Discharge, Defeasance and Covenant Defeasance

BBVA may discharge certain obligations to holders of any series of notes that have not already been delivered to the applicable trustee for cancellation and that have become due and payable, will become due and payable at their stated maturity within one year or, if redeemable at the option of BBVA, are to be called for redemption within one year, by depositing or causing to be deposited with the applicable trustee, in trust, funds in an amount sufficient to pay and discharge the entire indebtedness on such notes, including principal, interest, premium and any additional amounts to the date of such deposit (if such notes have become due and payable) or to the maturity date of such notes, as the case may be.

BBVA may also elect to have its obligations under the indenture discharged with respect to the outstanding notes of any series ("legal defeasance"). Legal defeasance means that BBVA will be deemed to have paid and discharged the entire indebtedness represented by the outstanding notes of such series under the relevant indenture, except for:

- the rights of holders of such outstanding notes to receive principal, any premium, interest and any additional amounts when due from the trust described below;
- the obligations of BBVA to issue temporary notes, register the transfer of notes, replace temporary or mutilated, destroyed, lost or stolen notes, pay additional amounts, maintain an office or agency for payment and hold money for payments in trust;
- the rights, powers, trusts, duties and immunities of the applicable trustee; and
- the defeasance provisions of the applicable indenture.

In addition, BBVA may elect to have its obligations released with respect to certain covenants in the applicable indenture ("covenant defeasance"). Any omission to comply with any obligations so released will not constitute a default or an event of default with respect to the notes of any series.

In order to exercise either legal defeasance or covenant defeasance with respect to outstanding notes of or within any series:

- BBVA must irrevocably have deposited or caused to be deposited with the applicable trustee, in trust, money, in U.S. dollars or in the foreign currency in which such notes are payable at stated maturity, or U.S. government obligations or a combination of money and U.S. government obligations applicable to such notes which through the scheduled payment of principal and interest in accordance with their terms will provide money in an amount sufficient to pay and discharge when due all of the principal, interest and any premium of such notes and any mandatory sinking fund or analogous payments thereon;
- the legal defeasance or covenant defeasance must not result in a breach or violation of, or constitute a default under, the applicable indenture or any other material agreement or instrument to which BBVA is a party or by which it is bound;
- no event of default or event which, with notice or lapse of time, or both, would become an event of default with respect to the outstanding notes of that series may have occurred and be continuing on the date of the establishment of such a trust, and in the case of legal defeasance, at any time during the period ending on the 91st day after such date;
- BBVA must have delivered to the applicable trustee an opinion of counsel of recognized standing to the effect that the beneficial owners of such notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the legal defeasance or covenant defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if the legal defeasance or covenant defeasance had not occurred. In the case of legal defeasance only, the opinion of counsel must refer to and be based upon a letter ruling of the Internal Revenue Service received by BBVA, a Revenue Ruling published by the Internal Revenue Service or a change in applicable U.S. federal income tax law occurring after the date of this prospectus;
- BBVA must have delivered to the trustee an officer's certificate and an opinion of counsel, each stating that all conditions precedent to such defeasance have been complied with;
- the legal defeasance or covenant defeasance must not cause the applicable trustee to have a conflicting interest within the meaning of the Trust Indenture Act (assuming all relevant notes are in default within the meaning of such Act);
- the legal defeasance or covenant defeasance must not result in the trust arising from such deposit constituting an investment company within the meaning of the Investment Company Act of 1940, as amended, unless such trust shall be registered under such Act or exempt from registration thereunder; and
- in the case of the subordinated notes, BBVA shall have delivered to the applicable trustee an opinion of counsel substantially to the effect that (i) the trust funds deposited to effect the legal defeasance or covenant defeasance will not be subject to any rights of holders of Senior Indebtedness (as defined below under "—Subordinated Notes—Subordination of Subordinated Notes"), including those arising under the applicable subordination provisions of the subordinated indenture, and (ii) after the second anniversary following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, except that if a court were to rule under any such law in any case or proceeding that the trust funds remained property of BBVA, no opinion is given as to the effect of such laws on the trust funds except in certain limited circumstances set forth in the subordinated indenture.

Unless otherwise provided in the applicable prospectus supplement, if, after BBVA has deposited funds or U.S. government obligations to effect legal defeasance or covenant defeasance with respect to notes of any series,

- the holder of a note of such series is entitled to elect and does elect to receive payment in a currency other than that in which such deposit has been made in respect of such note; or
- a "conversion event" (as defined below) occurs in respect of the foreign currency in which such deposit has been made; then,

the indebtedness represented by such note shall be deemed to have been and will be fully discharged and satisfied through the payment of the principal, any premium, interest and any additional amounts on such note as it becomes due out of the proceeds yielded by converting the amount or other property so deposited into the

currency in which such note becomes payable as a result of such election or such conversion event based on the applicable market exchange rate for such currency in effect on the second business day prior to such payment date, except, with respect to a conversion event, for such foreign currency in effect at the time of the conversion event.

A "conversion event" means the cessation of use of (i) a foreign currency both by the government of the country which issued such currency and for the settlement of transactions by a central bank or other public institutions of or within the international banking community, or (ii) the euro both within the European monetary system and for the settlement of transactions by public institutions of or within the EU.

In the event BBVA effects covenant defeasance with respect to any notes and such notes are declared due and payable because of the occurrence of any event of default, the amount in money and U.S. government obligations deposited in trust will be sufficient to pay amounts due on such notes at the time of their stated maturity. They may not, however, be sufficient to pay amounts due on such notes at the time of the acceleration resulting from such event of default. In this case, BBVA will remain liable to make payment of such amounts due at the time of acceleration.

The applicable prospectus supplement may further describe the provisions permitting legal defeasance or covenant defeasance, including any modifications to the provisions described above, with respect to the notes of a particular series.

Upon the exercise of the Spanish Bail-in Power with respect to a series of notes which results in the redemption, cancellation, or the conversion into other securities, of all the Amounts Due on the notes of such series or such notes otherwise ceasing to be outstanding, the applicable indenture shall be deemed satisfied and discharged as to such series.

Notices

All notices to holders of registered notes shall be validly given if mailed to them at their respective addresses in the register maintained by the applicable trustee.

The Trustee

The Bank of New York Mellon, the trustee currently appointed pursuant to the indentures, has its corporate trust office located at 101 Barclay Street, New York, NY 10286 and the indentures will be administered by The Bank of New York Mellon acting (except with respect to its role as security registrar) through its London Branch at One Canada Square, London E14 5AL, United Kingdom or such other location in New York or England as notified by the trustee to BBVA from time to time. The trustee and any trustee appointed pursuant to the senior indenture or the subordinated indenture shall have and be subject to all the duties and responsibilities specified with respect to an indenture trustee under the Trust Indenture Act.

By its acquisition of any notes offered hereunder, each holder thereof, to the extent permitted by the Trust Indenture Act, waives any and all claims, in law and/or in equity, against the trustee for, agrees not to initiate a suit against the trustee in respect of, and agrees that the trustee shall not be liable for, any action that the trustee takes, or abstains from taking, in either case in accordance with the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the notes of such series. Additionally, by its acquisition of any notes of any series offered hereunder, each holder thereof acknowledges and agrees that, upon the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to such series of notes, (a) the trustee shall not be required to take any further directions from holders of the notes of such series with respect to any portion of the notes of such series that is written down, converted to equity and/or cancelled under the provision of the applicable indenture which authorizes holders of a majority in aggregate outstanding principal amount of the notes of a series to direct certain actions relating to the notes of such series, and (b) the applicable indenture shall not impose any duties upon the trustee whatsoever with respect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority; provided, however, that notwithstanding the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to notes of a series, so long as any notes of such series remain outstanding, there shall at all times be a trustee for the notes of such series in accordance with the relevant indenture, and the resignation and/or removal of the applicable trustee and the appointment of a successor trustee shall continue to be governed by the relevant indenture, including to the extent no additional supplemental indenture or amendment is agreed upon in the event the notes of such series remain outstanding following the completion of the exercise of the Spanish Bail-in Power.

Subject to the provisions of the Trust Indenture Act, the applicable trustee is under no obligation to exercise any of the powers vested in it by the applicable indenture at the request of any holder of notes, unless offered reasonable security or indemnity by the holder against the costs, expenses and liabilities which might be incurred thereby.

BBVA and some of its subsidiaries maintain deposits with and conduct other banking transactions with The Bank of New York Mellon in the ordinary course of business.

Successor Trustees

Any trustee in respect of the notes of a series may resign or be removed by holders of a majority in principal amount of notes of such series at any time, effective upon the acceptance by a successor trustee of the respective appointment. The indentures provide that any successor trustee will have a combined capital and surplus of not less than $50,000,000 and shall be a corporation, association, company or business trust organized and doing business under the laws of the United States or any of its states or territories or the District of Columbia and in good standing. No person shall accept its appointment as a successor trustee with respect to the notes of a series unless at the time of such acceptance such successor trustee shall be qualified and eligible under the relevant indenture.

Repayment of Funds

All monies paid by BBVA to the applicable trustee or a paying agent for payment of principal, premium or interest and any additional amounts on any notes which remain unclaimed at the end of two years after that payment has been made will be repaid to BBVA on BBVA's request and all liability of the applicable trustee or the paying agent related to it will cease, and, if permitted by law, the holder of the applicable note will look only to BBVA for payment as its general unsecured creditor.

Prescription

All claims against BBVA for payment of principal, premium, interest or additional amounts on or in respect of the notes will become void unless made within the earlier of (i) six years or (ii) any applicable shorter period provided for under New York law, starting from the later of the date on which that payment first became due and the date on which the full amount was received by the applicable trustee or the paying agent.

Consolidation, Merger and Conveyance of Assets; Assumption

Except as provided by the events of default, nothing contained in the indentures or in any of the notes shall prevent any consolidation, amalgamation or merger of BBVA with or into any other person or persons (whether or not affiliated with BBVA), or successive consolidations, amalgamations or mergers in which BBVA or the successor or successors of BBVA shall be a party or parties, or shall prevent any sale, conveyance or lease of the property of BBVA as an entirety or substantially as an entirety, to any other person (whether or not affiliated with BBVA); *provided that* the person formed by or into which BBVA is consolidated, amalgamated or merged shall assume the due and punctual payment of the principal of (and premium, if any), interest and additional amounts, if any, on the notes in accordance with the provisions thereof and the indentures, and the performance of every covenant of the indentures on the part of BBVA to be performed or observed.

Any holding company or wholly-owned subsidiary of BBVA may assume BBVA's obligations under the notes of any series without the consent of any holder, provided that certain conditions are satisfied, including that the successor entity has ratings for long-term senior debt (in case of senior notes) or long-term subordinated debt (in the case of subordinated notes) assigned by Standard & Poor's Ratings Services, a division of the McGraw-Hill Companies Inc. or Moody's Investors Service, Inc. which are the same as or higher than the credit rating for long-term senior or subordinated debt, as the case may be, of BBVA (or, if applicable, the previous successor entity) immediately prior to such assumption. Upon any such assumption, all of BBVA's direct obligations under the notes of the relevant series and, with respect to such notes, all of BBVA's direct obligations under the relevant indenture shall immediately be discharged, and the successor entity shall succeed to, and be substituted for, and may exercise every right and power of, BBVA under the indenture with respect to any such notes with the same effect as if such successor entity had been named as BBVA in the indenture.

In the case of any merger, consolidation, sale, conveyance or lease, or in the case of any assumption of obligations under the notes of any series permitted by the relevant indenture by a successor, if the acquiring,

resulting or successor person is not incorporated or tax resident in Spain, additional amounts under the notes will be payable for taxes imposed by the jurisdiction of incorporation or tax residence of such person (subject to exceptions equivalent to those that apply to the obligation to pay additional amounts for taxes imposed by the laws of Spain) rather than taxes imposed by Spain.

An assumption of the obligations of BBVA under any series of notes may be considered for U.S. federal income tax purposes to be a deemed exchange by the beneficial owners of the notes of such series for new notes. In that case, U.S. taxpayers could be required to recognize a taxable gain or loss for U.S. federal income tax purposes and may be subject to certain other adverse U.S. tax consequences. U.S. beneficial owners of notes should consult their tax advisors regarding the U.S. federal, state and local income tax consequences of an assumption.

Governing Law

The notes and the indentures will be governed by and construed under the laws of the State of New York applicable to agreements made or instruments entered into and, in each case, performed in said state, except that the authorization and execution by BBVA of the indentures and the notes and the issuance of the notes will be governed by and construed in accordance with Spanish law. In addition, certain provisions of the notes and the indentures related to the status of the notes and, where applicable, the subordination of the notes shall be governed by and construed in accordance with Spanish law.

Senior Notes

The senior notes will constitute direct, unconditional, unsubordinated and unsecured indebtedness of BBVA and will rank *pari passu* among themselves and with all other present and future unsubordinated and unsecured indebtedness of BBVA, but in the event of insolvency only to the extent permitted by Spanish Law 22/2003 of July 9 (*Ley Concursal*), as amended, replaced or supplemented from time to time (the "Insolvency Law"), regulating insolvency proceedings in Spain, or other laws relating to or affecting the enforcement of creditors' rights in Spain.

Events of Default

Except as provided in the second paragraph immediately below, "event of default", wherever used below with respect to the senior notes of any series, means any one of the following events, unless, with respect to a particular series of senior notes, such event is specifically deleted or modified in or pursuant to supplemental indentures or Board resolutions creating such series of senior notes or in the officer's certificate for such series:

- default by BBVA in the payment of the principal of any senior note of such series when due and payable at its maturity and such default is not remedied within 14 days;
- default by BBVA in the payment of any interest on or any additional amounts payable in respect of any senior note of such series when such interest becomes or such additional amounts become due and payable, and continuance of such default for a period of 21 days;
- default by BBVA in the payment of any premium or deposit of any sinking fund payment, when and as due by the terms of a senior note of such series, and such default is not remedied in 30 days;
- default in the performance or breach of certain covenants or warranties of BBVA in the senior indenture or the senior notes, and continuance of such breach or default for a period of 30 days after there has been given, by registered or certified mail, to BBVA by the trustee or to BBVA and the trustee by any holder or the holders of any outstanding senior notes of such series a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" under the senior indenture;
- an order is made by any competent court commencing insolvency proceedings (*procedimientos concursales*) against BBVA or an order of any competent court or administrative agency is made or a resolution is passed by BBVA for the dissolution or winding up of BBVA, except in any such case for the purpose of a reconstruction or a merger or amalgamation which has been approved by an Act of the holders of the senior notes of such series, or where the entity resulting from any such reconstruction or merger or amalgamation is a financial institution (*entidad de crédito* according to Article 1 of Law 10/2014 of June 26, on regulation, oversight and solvency of credit institutions, as amended, replaced or supplemented from time to time) and will have a rating for long-term senior debt assigned by

Standard & Poor's Ratings Services, Moody's Investors Service or Fitch Ratings Ltd. equivalent to or higher than the rating for long-term senior debt of BBVA immediately prior to such reconstruction or merger or amalgamation;

- BBVA is adjudicated or found bankrupt or insolvent by any competent court, or any order of any competent court or administrative agency is made for, or any resolution is passed by BBVA to apply for, judicial composition proceedings with its creditors for the appointment of a receiver or trustee or other similar official in insolvency proceedings (*procedimientos concursales*) in relation to BBVA or of a substantial part of its assets (unless in the case of an order for a temporary appointment, such appointment is discharged within 30 days);
- BBVA (except for the purpose of an amalgamation, merger or reconstruction approved by an Act of the holders of the senior notes of such series, or where the entity resulting from any such amalgamation, merger or reconstruction will have a rating for long-term senior debt assigned by Standard & Poor's Ratings Services, Moody's Investors Service or Fitch Ratings Ltd. equivalent to or higher than the rating for long-term senior debt of BBVA immediately prior to such amalgamation, merger or reconstruction) ceases or threatens to cease to directly or indirectly carry on the whole or substantially the whole of its business; or
- a holder of a security interest takes possession of the whole or any substantial part of the assets or business of BBVA or an order of any competent court or administrative agency is made for the appointment of an administrative or other receiver, manager, administrator or similar official in relation to BBVA or in relation to the whole or any substantial part of the business or assets of BBVA (in each case, other than in connection with a Resolution or an Early Intervention with respect to BBVA), or a distress or execution is levied or enforced upon or sued out against any substantial part of the business or assets of BBVA and is not discharged within 30 days.

For the purpose of the above definition, a report by the external auditors from time to time of BBVA as to whether any part of the business or assets of BBVA is "substantial" shall, in the absence of manifest error, be conclusive.

Notwithstanding the above, any Resolution or Early Intervention with respect to BBVA will not, in and of itself and without regard to any other fact or circumstance, constitute a default or an event of default under the fifth and sixth bullet points set forth above or any provision of the senior indenture with respect to the senior notes of any series. In addition, neither (i) a reduction or cancellation, in part or in full, of the Amounts Due on the senior notes of any series, or the conversion thereof into another security or obligation of BBVA or another person, in each case as a result of the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to BBVA, nor (ii) the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the senior notes of any series, will constitute an event of default or default under the senior indenture or the senior notes of any series. See "—Agreement with Respect to the Exercise of the Spanish Bail-in Power". In addition, no repayment or payment of Amounts Due on the senior notes of any series will become due and payable or be paid after the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority if, and to the extent that, such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

If an event of default with respect to the senior notes of any series at the time outstanding occurs and is continuing, then the applicable trustee, acting pursuant to an Act of the holders of the senior notes of the relevant series, with respect to all outstanding senior notes of such series, or the holder of any outstanding senior note of the relevant series, with respect to such senior note held by such holder, may declare the principal, or such lesser amount as may be provided for in the senior notes of such series, of such senior notes or senior note, as the case may be, to be due and payable immediately in accordance with the terms of the senior indenture.

At any time after such a declaration of acceleration with respect to the senior notes or a senior note, as the case may be, of any series has been made and before a judgment or decree for payment of the money due has been obtained by the applicable trustee as provided in the senior indenture, the holders of not less than a majority in principal amount of the outstanding senior notes of such series may, by Act rescind and annul such declaration and its consequences if:

1. BBVA has paid or deposited with the applicable trustee a sum of money sufficient to pay:

   (A) all overdue installments of any interest on and additional amounts with respect to all senior notes of such series;

(B) the principal of and any premium on any senior notes of such series which have become due otherwise than by such declaration of acceleration and interest thereon and any additional amounts with respect thereto at the rate or rates borne by or provided for in such senior notes;

(C) to the extent that payment of such interest or additional amounts is lawful, interest upon overdue installments of any interest and additional amounts at the rate or rates borne by or provided for in such senior notes; and

(D) all sums paid or advanced by the applicable trustee and the reasonable compensation, expenses, disbursements and advances of the applicable trustee, its agents and counsel and all other amounts due to the applicable trustee under the senior indenture; and

2. all Events of Default with respect to senior notes of such series, other than the non-payment of the principal of and any premium and interest on, and any additional amounts with respect to senior notes of such series which have become due solely by such declaration of acceleration, shall have been cured or waived as provided in the senior indenture.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

Subject to payment of the applicable trustee's fees and expenses, the holders of not less than a majority in principal amount of the outstanding senior notes of any series on behalf of the holders of all the senior notes of such series may, by Act waive any past event of default under the senior indenture with respect to such series and its consequences, except a default in the payment of the principal of or any premium, or interest on, or any additional amounts with respect to, any senior note of such series or in respect of a covenant or provision of the senior indenture that cannot be modified or amended without the consent of each holder of outstanding senior notes of such series.

No holder of any of the senior notes of any series has the right to institute any proceeding, judicial or otherwise, with respect to the senior indenture or any remedy thereunder, unless (i) such holder has previously given written notice to the applicable trustee of a continuing event of default with respect to the senior notes of such series; (ii) the holders of not less than 25% in principal amount of the outstanding senior notes of such series have made written request to the applicable trustee to institute proceedings in respect of such event of default as trustee under the senior indenture with respect to such series of senior notes and such holder or holders have offered to the applicable trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; (iii) the applicable trustee has failed to institute any such proceeding within 60 days after its receipt of such notice, request and offer of indemnity; and (iv) the applicable trustee has not received any direction inconsistent with such written request during such 60-day period by the holders of a majority in principal amount of the outstanding senior notes of such series.

Except as set forth in the immediately following paragraph, notwithstanding any other provision in the senior indenture and the senior notes, the right of each holder is absolute and unconditional, to receive payment of the principal of, any premium and, subject to certain provisions in the senior indenture with respect to payment of defaulted interest, interest on, and any additional amounts with respect to, his or her senior note or notes on or after the respective maturity or maturities therefor specified in such senior notes (or, in the case of redemption, on or after the redemption date or, in the case of repayment at the option of such holder if provided in or pursuant to the senior indenture, on or after the date such repayment is due) and to institute suit for the enforcement of any such payment, which cannot be impaired or affected without the consent of such holder, except that holders of not less than 75% in principal amount of outstanding senior notes of a series may consent by Act on behalf of the holders of all outstanding senior notes of such series, to the postponement of the maturity of any installment of interest for a period not exceeding three years from the original maturity of such installment (which original maturity shall have been fixed, for the avoidance of doubt, prior to any previous postponements of such installment).

The senior notes of any series may be subject to the exercise of the Spanish Bail-in Power, and no holder of any senior note shall have any claim against BBVA in connection with or arising out of any such exercise.

Within 90 days after the occurrence of any default under the senior indenture known to the applicable trustee with respect to the senior notes of any series, such trustee shall transmit by mail to all holders of senior notes of such series entitled to receive reports, notice of such default, unless such default shall have been cured or waived. Except in the case of a default in the payment of the principal of (or premium, if any), or interest, if any, on, or additional amounts with respect to, any senior note of such series, such trustee may withhold such notice if

and so long as the board of directors, the executive committee or a trust committee of directors and/or responsible officers of such trustee in good faith determine that the withholding of such notice is in the best interest of the holders of senior notes of such series. For the purpose of this paragraph, the term "default" means any event which is, or after notice or lapse of time or both would become, an event of default with respect to senior notes of such series.

Subordinated Notes

Subordination of Subordinated Notes

BBVA's obligations under the subordinated notes, whether on account of principal, interest or otherwise, will constitute direct, unconditional and subordinated obligations. Subject to mandatory provisions of Spanish law, in the event of insolvency (*concurso*) of BBVA under the Insolvency Law, the obligations of BBVA on account of principal of the subordinated notes will fall within the category of subordinated credits (*créditos subordinados*) (as defined in the Insolvency Law) and will rank in right of payment after Senior Indebtedness (as defined below) and will at all times rank *pari passu* among themselves and *pari passu* with all other present and future subordinated credits (*créditos subordinados*) (as defined in the Insolvency Law) of BBVA, except for certain subordinated obligations expressed, by law or by their terms, to rank senior or junior to the subordinated notes. Accordingly, no amount shall be payable to the holders of subordinated notes until the claims with respect to all Senior Indebtedness (other than as aforesaid) admitted in the insolvency (*concurso*) of BBVA under the Insolvency Law have been satisfied pursuant to the laws of Spain. Additional detail on the status of the securities may be included in the applicable prospectus supplement.

Prior to any voluntary or necessary declaration of insolvency (*concurso*) of BBVA under the Insolvency Law or any voluntary or mandatory liquidation of BBVA or similar procedure, BBVA may be subject to an Early Intervention or Resolution and the subordinated notes of any series may be subject to the exercise of the Spanish Bail-in Power, in which case no holder of any subordinated note shall have any claim against BBVA in connection with or arising out of any such exercise of the Spanish Bail-in Power.

Except as provided above, nothing contained in the subordinated indenture or in any of the subordinated notes will affect the obligation of BBVA to make, or prevent BBVA from making, at any time, payments of principal of (or premium, if any) or interest, if any, on the subordinated notes or on account of the purchase or other acquisition of subordinated notes or prevent the application by the applicable trustee of any moneys deposited with it under the subordinated indenture to the payment of or on account of the principal of (or premium, if any) or interest, if any, on the subordinated notes, unless such trustee shall have received written notice of any event prohibiting the making of such payment.

Any renewal or extension of the time of payment of any Senior Indebtedness or the exercise by the holders of Senior Indebtedness of any of their rights under any instrument creating or evidencing Senior Indebtedness, including, without limitation, the waiver of default thereunder, may be made or done all without notice to or assent from the holders of the subordinated notes or the applicable trustee.

No compromise, alteration, amendment, modification, extension, renewal or other change of, or waiver, consent or other action in respect of, any liability or obligation under or in respect of, or of any of the terms, covenants or conditions of any indenture or other instrument under which any Senior Indebtedness is outstanding or of such Senior Indebtedness, whether or not such release is in accordance with the provisions of any applicable document, will in any way alter or affect any of the subordination provisions of the subordinated indenture or of the subordinated notes relating to the subordination thereof.

Each holder of subordinated notes by his or her acceptance thereof authorizes and directs the applicable trustee on his or her behalf to take such action as may be necessary or appropriate to effectuate the subordination of the subordinated notes as provided in the subordinated indenture and as summarized herein and appoints the applicable trustee his attorney-in-fact for any and all such purposes, including, if required, to grant any private or public documents on such holder's behalf.

The applicable trustee's claims under the subordinated indenture are not subordinated.

"Senior Indebtedness" means, with respect to BBVA, all rights and claims, whether outstanding on the date of the subordinated indenture or thereafter created, incurred, assumed or guaranteed, and all amendments, renewals, extensions, modifications and refundings of indebtedness or obligations represented by such rights and claims, (i) of privileged creditors (*acreedores privilegiados*), unsecured and unsubordinated creditors (*acreedores comunes*), those subordinated creditors referred to in art. 92.1 of the Insolvency Law and insolvency estate creditors (*acreedores contra la masa*) of BBVA, in each case as determined in accordance with the Insolvency Law; or (ii) if such Insolvency Law is no longer in effect, all of such rights and claims of all creditors of BBVA, unless in any such case the instrument by which the indebtedness or obligations represented by such rights and claims are created, incurred, assumed or guaranteed by BBVA, or are evidenced, provides that they are subordinate, or are not superior, in right of payment to the subordinated notes.

Events of Default

"Event of default", wherever used below with respect to subordinated notes of any series, means any one of the following events, unless, with respect to a particular series of subordinated notes, such event is specifically deleted or modified in or pursuant to supplemental indentures or Board resolutions creating such series of subordinated notes or in the officer's certificate for such series:

- an order is made by any competent court commencing insolvency proceedings (*procedimientos concursales*) against BBVA or an order of any competent court or administrative agency is made or a resolution is passed by BBVA for the dissolution or winding up of BBVA, except in any such case for the purpose of a reconstruction or a merger or amalgamation which has been approved by an Act of the holders relating to such series, or where the entity resulting from any such reconstruction or merger or amalgamation is a financial institution (*entidad de crédito* according to Article 1 of Law 10/2014 of June 26, on regulation, oversight and solvency of credit institutions, as amended, replaced or supplemented from time to time) and will have a rating for long-term senior debt assigned by Standard & Poor's Ratings Services, Moody's Investors Service or Fitch Ratings Ltd. equivalent to or higher than the rating for long-term senior debt of BBVA immediately prior to such reconstruction or merger or amalgamation; or
- any other event of default that may be specified pursuant to the subordinated indenture.

Notwithstanding the above, any Resolution or Early Intervention with respect to BBVA will not, in and of itself and without regard to any other fact or circumstance, constitute a default or an event of default under the first bullet point set forth above or any provision of the subordinated indenture with respect to the subordinated notes of any series. In addition, neither (i) a reduction or cancellation, in part or in full, of the Amounts Due on the subordinated notes of any series, or the conversion thereof into another security or obligation of BBVA or another person, in each case as a result of the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to BBVA, nor (ii) the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the subordinated notes of any series, will constitute an event of default or default under the subordinated indenture or the subordinated notes of any series. See "—Agreement with Respect to the Exercise of the Spanish Bail-in Power". In addition, no repayment or payment of Amounts Due on the subordinated notes of any series will become due and payable or be paid after the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority if, and to the extent that, such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

If an event of default with respect to the subordinated notes of any series at the time outstanding occurs and is continuing, then the applicable trustee, acting pursuant to an Act of the holders of the subordinated notes of the relevant series, with respect to all outstanding subordinated notes of such series, or the holder of any outstanding subordinated note of the relevant series, with respect to such subordinated note held by such holder, may declare the principal, or such lesser amount as may be provided for in the subordinated notes of such series (if applicable), of such subordinated notes or subordinated note, as the case may be, to be due and payable immediately in accordance with the terms of the subordinated indenture.

At any time after such a declaration of acceleration with respect to the subordinated notes or a subordinated note, as the case may be, of any series has been made and before a judgment or decree for payment of the money due has been obtained by the applicable trustee as provided in the subordinated indenture, the holders of not less than a majority in principal amount of the outstanding subordinated notes of such series may, by Act, rescind and annul such declaration and its consequences if:

1. BBVA has paid or deposited with the applicable trustee a sum of money sufficient to pay:
   (A) all overdue installments of any interest on and additional amounts with respect to all subordinated notes of such series;
   (B) the principal of and any premium on any subordinated notes of such series which have become due otherwise than by such declaration of acceleration and interest thereon and any additional amounts with respect thereto at the rate or rates borne by or provided for in such subordinated notes;
   (C) to the extent that payment of such interest or additional amounts is lawful, interest upon overdue installments of any interest and additional amounts at the rate or rates borne by or provided for in such subordinated notes; and
   (D) all sums paid or advanced by the applicable trustee and the reasonable compensation, expenses, disbursements and advances of the applicable trustee, its agents and counsel and all other amounts due to the applicable trustee under the subordinated indenture; and
2. all Events of Default with respect to subordinated notes of such series, other than the non-payment of the principal of and any premium and interest on, and any additional amounts with respect to subordinated notes of such series which have become due solely by such declaration of acceleration, shall have been cured or waived as provided in the subordinated indenture.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

Subject to payment of the applicable trustee's fees and expenses, the holders of not less than a majority in principal amount of the outstanding subordinated notes of any series on behalf of the holders of all the subordinated notes of such series may, by Act, waive any past event of default under the subordinated indenture with respect to such series and its consequences, except a default in the payment of the principal of or any premium, or interest on, or any additional amounts with respect to, any subordinated note of such series or in respect of a covenant or provision of the subordinated indenture that cannot be modified or amended without the consent of each holder of outstanding subordinated notes of such series.

No holder of any of the subordinated notes of any series has the right to institute any proceeding, judicial or otherwise, with respect to the subordinated indenture or any remedy thereunder, unless (i) such holder has previously given written notice to the applicable trustee of a continuing event of default with respect to the subordinated notes of such series; (ii) the holders of not less than 25% in principal amount of the outstanding subordinated notes of such series have made written request to the applicable trustee to institute proceedings in respect of such event of default as trustee under the subordinated indenture with respect to such series of subordinated notes and such holder or holders have offered to the applicable trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; (iii) the applicable trustee has failed to institute any such proceeding within 60 days after its receipt of such notice, request and offer of indemnity; and (iv) the applicable trustee has not received any direction inconsistent with such written request during such 60-day period by the holders of a majority in principal amount of the outstanding subordinated notes of such series.

Except as set forth in the immediately following paragraph, notwithstanding any other provision in the subordinated indenture and the subordinated notes, the right of each holder is absolute and unconditional, to receive payment of the principal of, any premium and, subject to certain provisions in the subordinated indenture with respect to payment of defaulted interest, interest on, and any additional amounts with respect to, his or her subordinated note or notes on or after the respective maturity or maturities therefor specified in such subordinated notes (or, in the case of redemption, on or after the redemption date or, in the case of repayment at the option of such holder if provided in or pursuant to the subordinated indenture, on or after the date such repayment is due) and to institute suit for the enforcement of any such payment, which cannot be impaired or affected without the consent of such holder, except that holders of not less than 75% in principal amount of outstanding subordinated notes of a series may consent by Act, on behalf of the holders of all outstanding subordinated notes of such series, to the postponement of the maturity of any installment of interest for a period

not exceeding three years from the original maturity of such installment (which original maturity shall have been fixed, for the avoidance of doubt, prior to any previous postponements of such installment).

The subordinated notes of any series may be subject to the exercise of the Spanish Bail-in Power, and no holder of any subordinated note shall have any claim against BBVA in connection with or arising out of any such exercise.

Within 90 days after the occurrence of any default under the subordinated indenture known to the applicable trustee with respect to the subordinated notes of any series, such trustee shall transmit by mail to all holders of subordinated notes of such series entitled to receive reports, notice of such default, unless such default shall have been cured or waived. Except in the case of a default in the payment of the principal of (or premium, if any), or interest, if any, on, or additional amounts with respect to, any subordinated note of such series, such trustee may withhold such notice if and so long as the board of directors, the executive committee or a trust committee of directors and/or responsible officers of such trustee in good faith determine that the withholding of such notice is in the best interest of the holders of subordinated notes of such series. For the purpose of this paragraph, the term "default" means any event which is, or after notice or lapse of time or both would become, an event of default with respect to subordinated notes of such series.

Perpetual Subordinated Debt

BBVA may not issue subordinated notes under the subordinated indenture that do not have a stated maturity or which are otherwise treated as equity for U.S. federal income tax purposes.

Agreement with Respect to the Exercise of the Spanish Bail-in Power

Notwithstanding any other term of the notes of any series, the indentures or any other agreements, arrangements, or understandings between BBVA and any holder, by its acquisition of any notes offered hereunder, each holder (which, for the purposes of this section, includes each holder of a beneficial interest in the notes) acknowledges, accepts, consents to and agrees to be bound by: (i) the exercise and effects of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority, which may be imposed with or without any prior notice with respect to the notes of any series, and may include and result in any of the following, or some combination thereof: (1) the reduction or cancellation of all, or a portion, of the Amounts Due on the notes of any series; (2) the conversion of all, or a portion, of the Amounts Due on the notes of any series into shares, other securities or other obligations of BBVA or another person (and the issue to or conferral on the holder of any such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the notes; (3) the cancellation of the notes of any series; (4) the amendment or alteration of the maturity of the notes of any series or amendment of the amount of interest payable on the notes of any series, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and (ii) the variation of the terms of the notes of any series or the rights of the holders thereunder or under the relevant indenture, if necessary, to give effect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority.

By its acquisition of any notes offered hereunder, each holder thereof acknowledges and agrees that neither a reduction or cancellation, in part or in full, of the Amounts Due on the notes of any series or the conversion thereof into another security or obligation of BBVA or another person, in each case as a result of the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to BBVA, nor the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the notes of a series shall: (i) give rise to a default or event of default for purposes of Section 315(b) (Notice of Default) and Section 315(c) (Duties of the Trustee in Case of Default) of the Trust Indenture Act or (ii) be a default or an event of default with respect to the notes or under the relevant indenture. By its acquisition of any notes offered hereunder, each holder further acknowledges and agrees that no repayment or payment of Amounts Due on the notes of any series will become due and payable or be paid after the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority if, and to the extent that, such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

By its acquisition of any notes offered hereunder, each holder thereof, to the extent permitted by the Trust Indenture Act, waives any and all claims, in law and/or in equity, against the trustee for, agrees not to initiate a suit against the trustee in respect of, and agrees that the trustee shall not be liable for, any action that the trustee takes, or abstains from taking, in either case in accordance with the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the notes of such series. Additionally, by its acquisition of any notes of any series offered hereunder, each holder thereof acknowledges and agrees that, upon the exercise of

the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to such series of notes, (a) the trustee shall not be required to take any further directions from holders of the notes of such series with respect to any portion of the notes of such series that is written down, converted to equity and/or cancelled under the provision of the applicable indenture which authorizes holders of a majority in aggregate outstanding principal amount of the notes of a series to direct certain actions relating to the notes of such series, and (b) the applicable indenture shall not impose any duties upon the trustee whatsoever with respect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority; provided, however, that notwithstanding the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to a series of notes, so long as any notes of such series remain outstanding, there shall at all times be a trustee for the notes of such series, and the resignation and/or removal of the applicable trustee and the appointment of a successor trustee shall continue to be governed by the relevant indenture, including to the extent no additional supplemental indenture or amendment is agreed upon in the event the notes of such series remain outstanding following the completion of the exercise of the Spanish Bail-in Power.

By its acquisition of any notes offered hereunder, each holder further agrees to be deemed to have authorized, directed and requested the relevant depository (including, if applicable, DTC) and any direct participant therein or other intermediary through which it holds such notes to take any and all necessary action, if required, to implement the exercise of the Spanish Bail-in Power with respect to the notes as it may be imposed, without any further action or direction on the part of such holder.

Upon the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the notes of a series, BBVA or the Relevant Spanish Resolution Authority (as the case may be) will provide a written notice to the depository as soon as practicable regarding such exercise of the Spanish Bail-in Power for purposes of notifying the holders of the notes of such series. BBVA will also deliver a copy of such notice to the trustee for information purposes.

If BBVA or the holders have elected to redeem the notes of any series but prior to the deposit with the trustee or with a paying agent, as the case may be, of the redemption price with respect to such redemption the Relevant Spanish Resolution Authority exercises its Spanish Bail-in Power with respect to such notes, the relevant redemption notice shall be automatically rescinded and shall be of no force and effect, and no payment of the redemption price (and any accrued interest and additional amounts payable under the relevant indenture) will be due and payable.

Subsequent Holders' Agreement

Holders of any notes offered hereunder that acquire such notes in the secondary market or otherwise shall be deemed to acknowledge, agree to be bound by and consent to the same provisions specified herein to the same extent as the holders of any notes offered hereunder that acquire such notes upon their initial issuance, including, without limitation, with respect to the acknowledgement and agreement to be bound by and consent to the terms of the notes related to the exercise of the Spanish Bail-in Power set forth under "—Agreement with Respect to the Exercise of the Spanish Bail-in Power".

SPANISH TAX CONSIDERATIONS

The following is a summary of the material Spanish tax consequences of the acquisition, ownership and disposition of ordinary shares, ADSs, senior notes and subordinated notes. This summary is not a complete analysis or listing of all the possible tax consequences of such transactions and does not address all tax considerations that may be relevant to all categories of potential purchasers, some of whom may be subject to special rules. In particular, this tax section does not address the Spanish tax consequences applicable to "look-through" entities (such as trusts or estates) that may be subject to the tax regime applicable to such non-Spanish entities under the Spanish Non-Resident Income Tax Law or the tax treatment of the notes following any exercise of the Spanish Bail-in Power with respect to such securities.

Accordingly, prospective investors should consult their own tax advisors as to the tax consequences of their purchase, ownership and disposition of ordinary shares or ADSs, senior notes and subordinated notes including the effect of tax laws of any other jurisdiction, based on their particular circumstances.

As used herein, the following terms have the following meanings:

(i) The "Treaty" means the Convention between the United States and Spain for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, together with the related Protocol, both signed February 22, 1990.

(ii) A "U.S. Resident" means a U.S. Holder (as defined below under "U.S. Tax Considerations") that is a resident of the United States for purposes of the Treaty and entitled to the benefits of the Treaty and whose holding is not effectively connected with a permanent establishment (as defined by the Treaty) in Spain through which such holder carries on or has carried on business or with a fixed base in Spain from which such holder performs or has performed independent personal services.

For purposes of Spanish law and the Treaty, an owner of BBVA ADSs will generally be treated as the owner of the ordinary shares underlying the ADSs. Holders of ordinary shares, or ADSs who are not U.S. Residents should consult their own tax advisors, particularly as to the applicability of any Double Tax Treaty referred to as a "DTT".

The statements regarding Spanish tax laws set out below are based on interpretations of those laws as in force on the date of this document and are subject to any change in such law that may take effect after such date. Such statements also assume that each obligation in the deposit agreement and any related agreement will be performed in full accordance with their terms.

Ordinary Shares or ADSs

1. Taxation of Dividends

Under Spanish law, dividends paid by a Spanish resident company to a non-Spanish resident holder of ordinary shares or ADSs are subject to the Spanish Non-Resident Income Tax, referred to as the "NRIT", approved by Royal Decree Legislative 5/2004 of March 5, ("NRIT Law"), and therefore a 19% withholding tax is currently applied on the gross amount of dividends.

However, under the Treaty, a U.S. Resident is entitled to the Treaty-reduced rate of 15%, as a general rule, or 10% if the U.S. Resident is a corporation which owns more than 25% of the voting rights of the ordinary shares of BBVA.

In practice, on any dividend payment date, U.S. Residents will be subject to a withholding of 19% of the gross amount of dividends. However, U.S. Residents will be entitled to a refund of the amount withheld in excess of the Treaty-reduced rate, according to the procedure set forth by the Spanish legislation. To benefit from the Treaty reduced rate, a U.S. Resident must provide to BBVA or to the Spanish resident depositary, if any, through which its ordinary shares are held, a certificate from the U.S. Internal Revenue Service ("IRS") on Form 6166 stating that, to its best knowledge, such holder is a U.S. Resident within the meaning of the Treaty. The IRS certificate of residence is valid for a period of one year from the date of issuance. The issuance of Form 6166 by the IRS may be subject to substantial delay.

Quick Refund Process

Under the standard procedure agreed to between The Bank of New York Mellon and its Spanish resident depositary, unless otherwise indicated in the applicable prospectus supplement, holders of BBVA ADSs claiming

tax relief through the "Quick Refund" process must submit their valid IRS certificate of residence by the last day of the month in which the record date for receipt of the relevant dividend occurs.

The IRS certificate of residence will then be provided to the Spanish depositary before the fifth day following the end of the month in which the dividend record date occurs. Otherwise, the U.S. Resident may afterwards obtain a refund of the amount withheld in excess of the Treaty-reduced rate, directly from the Spanish tax authorities, following the standard refund procedure established by Spanish regulations. See "—Spanish Refund Procedure" below.

Spanish Refund Procedure

According to Spanish regulations on the NRIT, approved by Royal Decree 1776/2004, dated July 30, 2004, a refund for the amount withheld in excess of the Treaty-reduced rate can be obtained from the relevant Spanish tax authorities. To pursue the refund claim, the U.S. Resident is required to file:

- The relevant Spanish tax form (currently, Form 210);
- The IRS certificate of residence (IRS Form 6166) referred to above under "—Taxation of Dividends;" and
- A certificate evidencing Spanish Non-Resident Income Tax withheld regarding the dividends, which may generally be obtained from the U.S. resident's broker.

2. Taxation of Capital Gains

Capital gains realized by U.S. Residents from the disposition of ordinary shares or ADSs will not be taxed in Spain, if (i) the seller has not maintained a direct or indirect holding of at least 25% of the ordinary shares outstanding during the twelve months preceding the disposition of the shares, and (ii) the gain is not obtained through a country or territory defined as a tax haven under applicable Spanish regulations.

Additionally, capital gains derived from the transfer of ordinary shares in an official Spanish secondary stock market by any holder who is resident in a country that has entered into a DTT with Spain containing an exchange of information clause (including the Treaty), will be exempt from taxation in Spain. This exemption is not applicable to capital gains obtained by a U.S. Resident through a country or territory defined as a tax haven under applicable Spanish regulations.

Non Spanish Holders must submit a Spanish Tax Form (currently Form 210) within the time periods set out in the applicable Spanish regulations and to pay the corresponding tax or establish an exemption. In particular, where any of the exemptions mentioned above applies, the seller will be obliged to file with the Spanish tax authorities the relevant Spanish tax form (currently, Form 210) together with the certificate of tax residence issued by the tax authorities of the country of residence (IRS Form 6166) evidencing its entitlement to the exemption.

3. Spanish Wealth Tax (Impuesto sobre el Patrimonio)

Individuals resident in a country with which Spain has entered into a DTT in relation to Wealth Tax (and the United States and Spain have not entered into such a DTT) would generally not be subject to such tax. Otherwise, non-Spanish resident individuals with properties and rights located in Spain, or that can be exercised within the Spanish territory, in excess of €700,000 would be subject to Wealth Tax at the applicable rates, ranging between 0.2% and 2.5%, without prejudice to any exemption which may apply, on the value of the ordinary shares or ADSs which they hold as at the end of the relevant fiscal year.

Legal entities are not subject to Wealth Tax.

4. Spanish Inheritance and Gift Tax (Impuesto sobre Sucesiones y Donaciones)

Unless otherwise provided under an applicable DTT (and the United States and Spain have not entered into such a DTT), transfers of ordinary shares upon death or by gift to individuals not resident in Spain are subject to Spanish Inheritance and Gift Tax (Law 29/1987), if the ordinary shares or ADSs are located in Spain or the rights attached to such ordinary shares or ADSs are exercisable in Spain, regardless of the residence of the heir or the beneficiary. In this regard, the Spanish tax authorities may argue that all ordinary shares and all ADSs are located

in Spain for Spanish tax purposes. If such a view were to prevail, non-resident holders in Spain who inherit or receive a gift of ordinary shares or ADSs would be subject to tax at an effective tax rate that depends on all relevant factors and that ranges between 0% and 81.6% for individuals. Gifts granted to non-Spanish resident corporations will be generally subject to Spanish NRIT as capital gains, subject to the exemptions referred to above under section "*—Taxation of Capital Gains*".

5. Spanish Transfer Tax

Transfers of ordinary shares or ADSs will be exempt from Spanish transfer tax or value-added tax. Additionally, no Spanish Stamp Duty will be levied on the subscription for, acquisition of or transfer of ordinary shares or ADSs.

BBVA Rights to Subscribe for Ordinary Shares

The material Spanish tax consequences of the acquisition, ownership and disposition of rights to subscribe for BBVA shares will be described in the applicable prospectus supplement.

Senior Notes and Subordinated Notes

References in this section to holders of senior notes or subordinated notes, as the case may be (hereinafter, the relevant securities) are to the owners of a beneficial interest in the relevant securities, or beneficial owners, of the relevant securities. The statements regarding Spanish law and practice set forth below assume that the relevant securities will be issued, and transfers thereof will be made, in accordance with the Spanish law.

Introduction

This information has been prepared in accordance with the following Spanish tax legislation in force at the date of this prospectus and is subject to amendment in subsequent prospectus supplements:

(a) of general application, First Additional Provision of Law 10/2014. Consideration has also been given to Royal Decree 1065/2007, of July 27 ("RD 1065/2007");

(b) for individuals resident for tax purposes in Spain which are subject to the Individual Income Tax ("IIT"), Law 35/2006 of November 28, on the IIT and on the Partial Amendment of the Corporate Income Tax Law, the Non-Residents Income Tax Law and the Net Wealth Tax Law, and Royal Decree 439/2007, of March 30 promulgating the IIT Regulations, along with Law 29/1987, of December 18 on Inheritance and Gift Tax;

(c) for legal entities resident for tax purposes in Spain which are subject to the Corporate Income Tax ("CIT"), Law 27/2014 of November 27 promulgating the CIT Law, and Royal Decree 634/2015, of July 10 promulgating the CIT Regulations; and

(d) for individuals and entities who are not resident for tax purposes in Spain which are subject to ("NRIT"), Royal Legislative Decree 5/2004 of March 5 promulgating the Consolidated Text of the NRIT Law and Royal Decree 1776/2004, of July 30 promulgating the NRIT Regulations, along with Law 29/1987, of December 18 on Inheritance and Gift Tax.

Whatever the nature and residence of the holders of relevant securities, the acquisition and transfer of the relevant securities will be exempt from indirect taxes in Spain, *i.e.*, exempt from Transfer Tax and Stamp Duty, in accordance with the Consolidated Text of such tax promulgated by Royal Legislative Decree 1/1993, of September 24 and exempt from Value Added Tax, in accordance with Law 37/1992, of December 28 regulating such tax.

1. Tax Rules for Senior Notes and Subordinated Notes Listed on a Regulated Market, a Multilateral Trading Facility or an Organized Market

The following summary assumes that the relevant securities will be listed on a Regulated Market, a Multilateral Trading Facility or an Organized Market.

1(a). Individuals with Tax Residency in Spain

Individual Income Tax *(Impuesto sobre la Renta de las Personas Físicas)*

Income obtained by holders who are IIT taxpayers, both as interest and income obtained in connection with the transfer, redemption or repayment of the relevant securities, shall be considered income on investments obtained from the assignment of an individual's capital to third parties, as defined in Section 25.2 of IIT Law, and therefore will be taxed as savings income at the applicable rate (currently varying from 19% to 23%).

The above mentioned income will be subject to the corresponding IIT withholding at the applicable tax rate (currently 19%). Under Royal Decree 1065/2007, as amended by Royal Decree 1145/2011, income obtained in respect of the notes will not be subject to withholding tax in Spain, provided certain requirements are met, including that the relevant paying agent provides BBVA, in a timely manner, with certain information. See "—Tax Reporting and Withholding Obligations of the Issuer".

Nevertheless, withholding tax at the applicable rate (currently 19%) may have to be deducted by other entities (such as depositaries or financial entities), provided that such entities are resident for tax purposes in Spain or have a permanent establishment in Spanish territory.

Net Wealth Tax *(Impuesto sobre el Patrimonio)*

Individuals with tax residency in Spain are currently subject to Wealth Tax to the extent that their net worth exceeds €700,000, without prejudice to any exemption which may apply and the laws and regulations in force in each Autonomous Region, at the applicable rates, ranging between 0.2% and 2.5%, on the value of the relevant securities which they hold as at the end of the relevant fiscal year.

Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*)

Individuals resident in Spain for tax purposes who acquire ownership or other rights over any relevant securities by inheritance, gift or legacy will be subject to the Spanish Inheritance and Gift Tax in accordance with the applicable Spanish regional and State rules. The effective tax rates currently range between 0% and 81.6%, depending on relevant factors.

1(b). Legal Entities with Tax Residency in Spain

Corporate Income Tax (*Impuesto sobre Sociedades*)

Both distributions periodically received and income derived from the transfer, redemption or repayment of the relevant securities are subject to CIT (at the current general tax rate of 25%) in accordance with the rules for this tax.

Income derived from the transfer, redemption or repayment of the relevant securities will be subject to withholding tax as provided by the CIT Regulations, to the extent that the relevant securities do not satisfy the requirements laid down by the Directorate General for Taxation's (*Dirección General de Tributos*) response to a consultation on July 27, 2004, indicating that in the case of issuances made by entities with tax residency in Spain, application of the exemption requires that the relevant securities be placed outside Spain in another OECD country and traded on organized markets in OECD countries.

For withholding on income derived from payment of interest of the relevant securities see "—Tax Reporting and Withholding Obligations of the Issuer".

Net Wealth Tax (*Impuesto sobre el Patrimonio*)

Legal entities are not subject to Wealth Tax.

Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*)

Legal entities resident in Spain for tax purposes (and NRIT taxpayers acting through a permanent establishment in Spain, as described below) which acquire ownership or other rights over the relevant securities by inheritance, gift or legacy are not subject to the Spanish Inheritance and Gift Tax.

1(c). Individuals and Legal Entities with no Tax Residency in Spain

Non-Resident Income Tax (*Impuesto sobre la Renta de no Residentes*)

(a) *Investors with no Tax Residency in Spain acting through a permanent establishment in Spain*

If the relevant securities form part of the assets of a permanent establishment in Spain of a person or legal entity who is not resident in Spain for tax purposes, the tax rules applicable to income deriving from such securities are, generally, the same as those previously set out for Spanish CIT taxpayers. See "*—Legal Entities with Tax Residency in Spain—Corporate Income Tax* (*Impuesto sobre Sociedades*)". Ownership of the senior notes or subordinated notes by investors who are not resident for tax purposes in Spain will not in itself create the existence of a permanent establishment in Spain.

(b) *Investors with no Tax Residency in Spain not acting through a permanent establishment in Spain*

Income obtained by holders who are not tax resident in Spain acting for these purposes without a permanent establishment within Spain is exempt from NRIT, provided certain requirements are met, including that the relevant paying agent provides BBVA, in a timely manner, with certain information. See "—Tax Reporting and Withholding Obligations of the Issuer".

Net Wealth Tax (*Impuesto sobre el Patrimonio*)

Individuals resident in a country with which Spain has entered into a DTT in relation to Wealth Tax (and the United States and Spain have not entered into such a DTT) would generally not be subject to such tax. Otherwise, non-Spanish resident individuals with properties and rights located in Spain, or that can be exercised within the Spanish territory, in excess of €700,000 would be subject to Wealth Tax at the applicable rates, ranging between 0.2% and 2.5%, without prejudice to any exemption which may apply, on the value of the relevant securities which they hold as at the end of the relevant fiscal year.

As a consequence of the European Court of Justice judgment (Case C-127/12), the Net Wealth Tax Law has been amended by Law 26/2014, of November 27. As a result, non-Spanish tax resident individuals who are residents in the EU or in the European Economic Area can apply the legislation of the region in which the highest value of the assets and rights of the individuals are located.

Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*)

Individuals not resident in Spain for tax purposes who acquire ownership or other rights over senior notes or subordinated notes by inheritance, gift or legacy, will be subject to the Spanish Inheritance and Gift Tax in accordance with the applicable Spanish state rules, unless they reside in a country for tax purposes with which Spain has entered into a DTT in relation to Inheritance Tax. In such case, the provisions of the relevant DTT will apply. The United States and Spain have not entered into a DTT in relation to inheritance or gift taxes.

Non-Spanish resident legal entities which acquire ownership or other rights over the relevant securities by inheritance, gift or legacy are not subject to the Spanish Inheritance and Gift Tax. Such acquisitions will be subject to NRIT (as described above), subject to the provisions of any applicable DTT entered into by Spain. In general, DTTs provide for the taxation of this type of income in the country of residence of the beneficiary.

However, a judgment from the European Court of Justice dated September 3, 2014 declared that the Spanish Inheritance and Gift Tax is against the principle of free movement of capital within the EU as Spanish residents are granted tax benefits that, in practice, allow them to pay much lower taxes than non-residents. According to Law 26/2014, of November 27, it will be possible to apply tax benefits approved in some Spanish regions to EU residents by following certain specific rules.

Tax Reporting and Withholding Obligations of the Issuer

In accordance with Section 44 of Royal Decree 1065/2007 ("Section 44"), as amended by Royal Decree 1145/2011 of July 29, income obtained from debt securities which are originally listed on an organized market in an OECD country, will be paid free of Spanish withholding tax provided that the relevant paying agent provides BBVA with a statement containing the following information:

(i) identification of the securities; and

(ii) total amount of the income corresponding to each clearing house located outside Spain.

In accordance with Section 44, the relevant paying agent should provide BBVA with the statement referred to above on the business day immediately prior to the relevant payment of income. If the paying agent fails to deliver such statement on a timely basis, the related payment will be subject to Spanish withholding tax (currently at the general rate of 19%). In such an event, BBVA will pay the relevant holder such additional amounts as may be necessary in order that the net amount received by such holder after such withholding equals the sum of the respective amounts of principal, premium, if any, and interest, if any, which would otherwise have been receivable in respect of the relevant securities in the absence of such withholding, except as otherwise indicated in this prospectus or the relevant prospectus supplement.

2. Tax Rules for Senior Notes and Subordinated Notes not Listed on a Regulated Market, a Multilateral Trading Facility or an Organized Market

2(a). Withholding on Account of IIT, CIT and NRIT

If the senior notes or subordinated notes are not listed on a regulated market, a multilateral trading facility or an organized market and originally registered with the entities that manage clearing systems located outside Spain recognized by Spanish law or by the law of another OCDE country, interest payments to beneficial owners in respect of such securities will be subject to withholding tax, currently at a rate of 19%, except if an exemption from Spanish tax or a reduced withholding tax rate is provided by an applicable convention for the avoidance of double taxation entered into between Spain and the country of residence of the relevant beneficial owner. The treaty generally provides for a withholding rate of 10% for U.S. Residents.

2(b). Net Wealth Tax (Impuesto sobre el Patrimonio)

Individuals with tax residency in Spain are currently subject to Wealth Tax to the extent that their net worth exceeds €700,000, without prejudice to any exemption which may apply and the laws and regulations in force in each Autonomous Region, at the applicable rates, ranging between 0.2% and 2.5%, on the value of the relevant securities which they hold as at the end of the relevant fiscal year.

Individuals resident in a country with which Spain has entered into a DTT in relation to Wealth Tax (and the United States and Spain have not entered into such a DTT) would generally not be subject to such tax. Otherwise, non-Spanish resident individuals with properties and rights located in Spain, or that can be exercised within the Spanish territory, in excess of €700,000 would be subject to Wealth Tax at the applicable rates, ranging between 0.2% and 2.5%, without prejudice to any exemption which may apply, on the value of the relevant securities which they hold as at the end of the relevant fiscal year.

As a consequence of the European Court of Justice judgment (Case C-127/12), the Net Wealth Tax Law has been amended by Law 26/2014, of November 27. As a result, non-Spanish tax resident individuals who are residents in the EU or in the European Economic Area can apply the legislation of the region in which the highest value of the assets and rights of the individuals are located.

2(c). Inheritance and Gift Tax (Impuesto sobre Sucesiones y Donaciones)

Individuals resident in Spain for tax purposes who acquire ownership or other rights over any relevant securities by inheritance, gift or legacy will be subject to the Spanish Inheritance and Gift Tax in accordance with the applicable Spanish regional and State rules. The effective tax rates currently range between 0% and 81.6%, depending on relevant factors.

Individuals not resident in Spain for tax purposes who acquire ownership or other rights over senior notes or subordinated notes by inheritance, gift or legacy, will be subject to the Spanish Inheritance and Gift Tax in accordance with the applicable Spanish regional and state rules, unless they reside in a country for tax purposes with which Spain has entered into a DTT in relation to Inheritance Tax. In such case, the provisions of the relevant DTT will apply. The United States and Spain have not entered into a DTT in relation to Inheritance Tax.

However, a judgment from the European Court of Justice dated September 3, 2014 declared that the Spanish Inheritance and Gift Tax is against the principle of free movement of capital within the EU as Spanish residents are granted tax benefits that, in practice, allow them to pay much lower taxes than non-residents. According to Law 26/2014, of November 27, it will be possible to apply tax benefits approved in some Spanish regions to EU residents by following certain specific rules.

Legal entities resident in Spain for tax purposes (and NRIT taxpayers acting through a permanent establishment in Spain) which acquire ownership or other rights over the relevant securities by inheritance, gift or legacy are not subject to the Spanish Inheritance and Gift Tax.

Non-Spanish resident legal entities which acquire ownership or other rights over the relevant securities by inheritance, gift or legacy are not subject to the Spanish Inheritance and Gift Tax. Such acquisitions will be subject to NRIT (as described above), subject to the provisions of any applicable DTT entered into by Spain. In general, DTTs provide for the taxation of this type of income in the country of residence of the beneficiary.

U.S. TAX CONSIDERATIONS

The following discussion describes the material U.S. federal income tax consequences of the acquisition, ownership and disposition of BBVA ADSs, ordinary shares, senior notes and subordinated notes. The material U.S. federal income tax consequences of the acquisition, ownership and disposition of rights to acquire ordinary shares issued by BBVA will be described in the applicable prospectus supplement. This discussion applies only to U.S. Holders described below that hold ordinary shares, ADSs, senior notes or subordinated notes as capital assets for tax purposes and, in the case of senior notes or subordinated notes, acquire such notes pursuant to the offering at the "issue price", which will equal the first price to the public, not including bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers, at which a substantial amount of the notes is sold for money. This summary does not address all of the tax consequences that may be relevant to a particular investor, including the potential application of the provisions of the Internal Revenue Code of 1986, as amended (the "Code") known as the Medicare Contribution tax and alternative minimum tax considerations, and tax consequences that may apply to persons subject to special rules, such as:

- certain financial institutions;
- insurance companies;
- dealers and certain traders in securities or foreign currencies;
- persons holding ADSs, ordinary shares, senior notes or subordinated notes as part of a hedge, straddle, constructive sale, conversion transaction or integrated transaction;
- persons whose "functional currency" for U.S. federal income tax purposes is not the U.S. dollar;
- tax-exempt organizations, "individual retirement accounts" and "Roth IRAs";
- partnerships or other entities classified as partnerships for U.S. federal income tax purposes;
- persons who own or are deemed to own 10% or more of our voting shares; and
- persons holding ADSs, ordinary shares, senior notes or subordinated notes in connection with a trade or business conducted outside the United States.

This summary does not address the tax treatment of the ADS, ordinary shares, senior notes or subordinated notes following any exercise of the Spanish Bail-in Power with respect to such securities.

A "U.S. Holder" is a beneficial owner of ordinary shares, ADSs, senior notes or subordinated notes, as applicable, who is eligible for benefits of the Treaty (as defined in "Spanish Tax Considerations" above) and is, for U.S. federal income tax purposes:

- a citizen or individual resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia; or
- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

If a partnership holds ordinary shares, ADSs, senior notes or subordinated notes, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. Partnerships holding ordinary shares, ADSs, senior notes or subordinated notes and partners in such partnerships should consult their tax advisors with regard to the U.S. federal income tax treatment of their investment in such securities.

The summary is based upon the tax laws of the United States including the Internal Revenue Code of 1986, as amended (the "Code"), administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations, all as of the date hereof. These laws are subject to change, possibly with retroactive effect. In addition, the summary is based on the Treaty and, in the case of ADSs, is based in part on representations of the depositary and assumes that each obligation provided for in or otherwise contemplated by BBVA's deposit agreement or any other related document will be performed in accordance with its terms. Prospective purchasers of the ADSs, ordinary shares, senior notes or subordinated notes are urged to consult their tax advisors as to the U.S., Spanish or other tax consequences of the purchase, ownership and disposition of such securities in their particular circumstances, including the effect of any U.S. state or local tax laws.

This discussion is subject to any additional discussion regarding U.S. federal income taxation contained in the applicable prospectus supplement. Accordingly, U.S. Holders should also consult the applicable prospectus supplement for any additional discussion regarding U.S. federal income taxation with respect to the specific securities offered thereunder.

BBVA ADSs or Ordinary Shares

For U.S. federal income tax purposes, U.S. Holders of ADSs will generally be treated as the owners of the underlying ordinary shares represented by those ADSs. Accordingly, no gain or loss will be recognized if a U.S. Holder exchanges ADSs for the underlying ordinary shares represented by those ADSs and vice-versa.

The U.S. Treasury has expressed concerns that parties to whom depositary shares are pre-released or intermediaries in the chain of ownership between U.S. holders and the issuer of the security underlying depositary share may be taking actions that are inconsistent with the claiming of foreign tax credits for U.S. holders of depositary shares. Such actions would also be inconsistent with the claiming of the reduced rate of tax applicable to dividends received by certain noncorporate U.S. Holders, described below. Accordingly, the creditability of Spanish taxes and the availability of the reduced tax rate for dividends received by certain noncorporate U.S. Holders, described below, could be affected by future actions that may be taken by the parties to whom depositary shares are pre-released or such intermediaries.

This discussion assumes that BBVA is not, and will not become, a passive foreign investment company ("PFIC") for U.S. federal income tax purposes (as discussed below).

Taxation of Distributions

Distributions, before reduction for any Spanish income tax withheld by BBVA or its paying agent, made with respect to ADSs or ordinary shares (other than certain *pro rata* distributions of BBVA's capital stock or rights to subscribe for shares of its capital stock) will be includible in the income of a U.S. Holder as ordinary dividend income, to the extent paid out of BBVA's current or accumulated earnings and profits as determined in accordance with U.S. federal income tax principles. Because BBVA does not maintain calculations of its earnings and profits under U.S. federal income tax principles, it is expected that distributions generally will be reported to U.S. Holders as dividends. The amount of such dividends will be treated as foreign-source dividend income and will not be eligible for the "dividends received deduction" generally allowed to U.S. corporations under the Code. Subject to applicable limitations and the discussion above regarding concerns expressed by the U.S. Treasury, dividends paid to noncorporate U.S. Holders may be taxable at favorable rates applicable to long-term capital gains. Noncorporate U.S. Holders should consult their tax advisors to determine the availability of the rules regarding these favorable rates in their particular circumstances.

The amount of a dividend distribution will equal the U.S. dollar value of the euro received, calculated by reference to the exchange rate in effect on the date such distribution is received (which, for U.S. Holders of ADSs, will be the date such distribution is received by the depositary), whether or not the distribution is in fact converted into U.S. dollars at that time. If the dividend is converted into U.S. dollars on the date of receipt, a U.S. Holder generally should not be required to recognize foreign currency gain or loss in respect of the dividend income. If the dividend is not converted into U.S. dollars on the date of receipt, a U.S. Holder may have foreign currency gain or loss on the conversion date. In general, any foreign currency gain or loss will be ordinary gain or loss.

Subject to applicable limitations that vary depending upon a U.S. Holder's circumstances and subject to the discussion above regarding concerns expressed by the U.S. Treasury, a U.S. Holder will be entitled to a credit against its U.S. federal income tax liability for Spanish NRIT taxes withheld by BBVA or its paying agent not in excess of the applicable rate under the Treaty. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. The rules governing foreign tax credits are complex and, therefore, U.S. Holders should consult their tax advisers regarding the availability of foreign tax credits in their particular circumstances. In lieu of claiming a foreign tax credit, U.S. Holders may elect to deduct all foreign taxes paid or accrued in a taxable year (including any Spanish NRIT withholding tax) in computing their taxable income, subject to generally applicable limitations under U.S. federal income tax law.

Sale and Other Disposition of ADSs or Ordinary Shares

Gain or loss realized by a U.S. Holder on the sale or exchange of ADSs or ordinary shares will be subject to U.S. federal income tax as capital gain or loss in an amount equal to the difference between the U.S. Holder's tax basis in the ADSs or ordinary shares and the amount realized on the disposition, in each case as determined in U.S. dollars. Such gain or loss will be long-term capital gain or loss if the U.S. Holder has held the ordinary shares or ADSs for more than one year. Gain or loss, if any, will generally be U.S.-source for foreign tax credit purposes. The deductibility of capital losses is subject to limitations.

Passive Foreign Investment Company Rules

Based upon certain proposed Treasury regulations ("Proposed Regulations") we believe that we were not a PFIC for U.S. federal income tax purposes for our 2015 taxable year. However, because there can be no assurance that the Proposed Regulations will be finalized in their current form and because PFIC status depends upon the composition of a company's income and assets and the market value of its assets (including, among others, less than 25% owned equity investments) from time to time, there can be no assurance that we will not be considered a PFIC for any taxable year.

In general, if we were treated as a PFIC for any taxable year during which a U.S. Holder owned ADSs or ordinary shares, gain recognized by such U.S. Holder on a sale or other disposition of an ADS or an ordinary share would be allocated ratably over the U.S. Holder's holding period for the ADS or the ordinary share. The amounts allocated to the taxable year of the sale or other disposition and to any year before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for ordinary income of taxpayers of the U.S. Holder's type for such taxable year, and an interest charge would be imposed on the resulting tax liability for such taxable year. Similar tax rules would apply to any distribution in respect of ADSs or ordinary shares to the extent in excess of 125% of the average of the annual distributions on ADSs or ordinary shares received by the U.S. Holder during the preceding three years or the U.S. Holder's holding period, whichever is shorter. Certain elections may be available (including a mark-to-market election) to U.S. persons that may result in alternative treatment.

Additionally, if a U.S. Holder owns ADSs or ordinary shares during any year in which we are a PFIC, such holder would be required to file annual returns (including reporting with respect to distributions received from BBVA and any gain realized on the sale or other taxable disposition of ADSs or ordinary shares). Furthermore, if we are a PFIC in any taxable year in which we pay a dividend or the prior taxable year, the favorable tax rates discussed above with respect to dividends paid to certain noncorporate U.S. Holders would not apply.

BBVA Senior or Subordinated Notes

Characterization of the Subordinated Notes

There is no direct legal authority as to the proper U.S. federal income tax treatment of a subordinated instrument such as the subordinated notes that is denominated as a debt instrument and has significant debt features, but is subject to statutory bail-in powers such as the Spanish Bail-in Power. Therefore, prospective investors should consult their tax advisers as to the proper characterization of the subordinated notes for U.S. federal income tax purposes. We believe the subordinated notes should be treated as debt for U.S. federal income tax purposes and the remainder of this discussion so assumes.

Payments of Interest

Interest paid on a note will be taxable to a U.S. Holder as ordinary interest income at the time it accrues or is received in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes, provided that the interest is qualified stated interest (as defined below).

The amount of interest taxable as ordinary income will include amounts withheld in respect of Spanish taxes, and additional amounts paid in respect thereof, if any. Interest income earned by a U.S. Holder with respect to a note will constitute foreign source income for U.S. federal income tax purposes, which may be relevant to a U.S. Holder in calculating the holder's foreign tax credit limitation. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. Spanish taxes withheld at a rate not exceeding the Treaty rate from interest income on a note which are not otherwise refundable under Spanish tax law may be eligible for credit against the U.S. Holder's U.S. federal income tax liability, or, at the election of the U.S. Holder, for deduction in computing the U.S. Holder's taxable income, in each case subject to generally applicable limitations and conditions. The rules governing foreign tax credits are complex and, therefore, U.S. Holders should consult their own tax advisors regarding the availability of foreign tax credits in their particular circumstances.

Special rules governing the treatment of interest paid with respect to original issue discount notes and foreign currency notes are described below.

Original Issue Discount

A note that is issued at an issue price less than its "stated redemption price at maturity" will be considered to have been issued at an original issue discount for U.S. federal income tax purposes (and will be referred to as an

"original issue discount note") unless the note satisfies a *de minimis* threshold (as described below) or is a Short-Term Note (as defined below). The "stated redemption price at maturity" of a note will equal the sum of all payments required under the note other than payments of "qualified stated interest". "Qualified stated interest" is stated interest unconditionally payable (other than in debt instruments of the issuer) at least annually during the entire term of the note and equal to the outstanding principal balance of the note multiplied by a single fixed rate or, subject to certain conditions, certain floating rates.

If the difference between a note's stated redemption price at maturity and its issue price is less than a prescribed *de minimis* amount, *i.e.*, generally 1/4 of 1 percent of the stated redemption price at maturity multiplied by the number of complete years to maturity, then the note will not be considered to have original issue discount.

A U.S. Holder of original issue discount notes will be required to include any qualified stated interest payments in income in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes. In addition, U.S. Holders of original issue discount notes that mature more than one year from their date of issuance will be required to include original issue discount in income for U.S. federal income tax purposes as it accrues, in accordance with a constant yield method based on a compounding of interest, before the receipt of cash payments attributable to this income. Under this method, U.S. Holders of original issue discount notes generally will be required to include in income increasingly greater amounts of original issue discount in successive accrual periods.

A U.S. Holder may make an election to include in gross income all interest that accrues on any note (including stated interest, original issue discount and *de minimis* original issue discount as adjusted by any amortizable bond premium) in accordance with a constant yield method based on the compounding of interest (a "constant yield election").

In general, floating rate notes providing for one or more qualified floating rates of interest, a single fixed rate and one or more qualified floating rates, a single objective rate, or a single fixed rate and a single objective rate that is a qualified inverse floating rate, as such terms are defined in applicable Treasury regulations, will have qualified stated interest if interest is unconditionally payable at least annually during the term of the note at a rate that is considered to be a single qualified floating rate or a single objective rate under the following rules, provided that the issue price of the note does not exceed the total noncontingent principal payments due under the note by more than an amount equal to the lesser of (x) 0.015 multiplied by the product of the total noncontingent principal payments and the number of complete years to maturity from the issue date or (y) 15% of the total noncontingent principal payments. A "qualified floating rate" is any variable rate where variations in the value of such rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the floating rate notes is denominated.

If a floating rate note provides for two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the note, the qualified floating rates together constitute a single qualified floating rate. If interest on a debt instrument is stated at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period, and the value of the variable rate on the issue date is intended to approximate the fixed rate, the fixed rate and the variable rate together constitute a single qualified floating rate or objective rate. Two or more rates will be conclusively presumed to meet the requirements of the preceding sentences if the values of the applicable rates on the issue date are within 1/4 of one percent of each other. If a floating rate note provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof that is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually, then all stated interest on such note will constitute qualified stated interest and will therefore not be treated as having been issued with original issue discount unless the note is issued at a "true" discount (*i.e.*, at a price below the note's stated principal amount) in excess of the specified *de minimis* amount. If floating rate notes are issued with original issue discount, the U.S. federal income tax treatment of such notes will be more fully described in the applicable prospectus supplement.

A note that matures one year or less from its date of issuance (taking into account the last possible date the note could be outstanding in accordance with its terms) (a "Short-Term Note") will be treated as being issued at a discount and none of the interest paid on the note will be treated as qualified stated interest. In general, a cash method U.S. Holder of a Short-Term Note is not required to accrue the discount for U.S. federal income tax purposes unless it elects to do so (but should include in income any stated interest upon receipt). Accrual method U.S. Holders and cash method U.S. Holders who so elect are required to include the discount in income as it

accrues on a straight-line basis, unless an election is made to accrue the discount according to a constant yield method based on daily compounding. In the case of a U.S. Holder who is not required and does not elect to include the discount in income currently, any gain realized on the sale, exchange or retirement of the Short-Term Note will be ordinary income to the extent of the discount accrued on a straight-line basis (or, if elected, according to a constant yield method based on daily compounding) through the date of sale, exchange or retirement. In addition, those holders will be required to defer deductions for any interest paid on indebtedness incurred to purchase or carry Short-Term Notes in an amount not exceeding the accrued discount until the accrued discount is included in income.

Amortizable Bond Premium

If a U.S. Holder purchases a note for an amount that is greater than the sum of all amounts payable on the note other than qualified stated interest, the U.S. Holder will be considered to have purchased the note with amortizable bond premium. In general, amortizable bond premium with respect to any note will be equal in amount to the excess of the purchase price over the sum of all amounts payable on the note other than qualified stated interest and the U.S. Holder may elect to amortize this premium, using a constant-yield method, over the remaining term of the note. Special rules may apply in the case of notes that are subject to optional redemption. A U.S. Holder may generally use the amortizable bond premium allocable to an accrual period to offset qualified stated interest required to be included in the U.S. Holder's income with respect to the note in that accrual period. A U.S. Holder who elects to amortize bond premium must reduce the U.S. Holder's tax basis in the note by the amount of the premium amortized in any year. An election to amortize bond premium applies to all taxable debt obligations then owned and thereafter acquired by the U.S. Holder and may be revoked only with the permission of the Internal Revenue Service.

If a U.S. Holder makes a constant-yield election (as described under "—Original Issue Discount" above) for a note with amortizable bond premium, such election will result in a deemed election to amortize bond premium for all of the U.S. Holder's debt instruments with amortizable bond premium and may be revoked only with the permission of the Internal Revenue Service with respect to debt instruments acquired after revocation.

Sale, Exchange or Retirement of the Notes

Upon the sale, exchange or retirement of a note, a U.S. Holder will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange or retirement and the U.S. Holder's adjusted tax basis in the note. Gain or loss, if any, will generally be U.S.-source for purposes of computing a U.S. Holder's foreign tax credit limitation. For these purposes, the amount realized does not include any amount attributable to accrued interest. Amounts attributable to accrued interest are treated as interest as described under "—Interest" above. A U.S. Holder's adjusted tax basis in a note generally will equal such U.S. Holder's initial investment in the note increased by any original issue discount included in income and decreased by any bond premium previously amortized and principal payments previously received.

Except as described below under "—Foreign Currency Notes", gain or loss realized on the sale, exchange or retirement of a note will generally be capital gain or loss and will be long-term capital gain or loss if at the time of sale, exchange or retirement the note has been held for more than one year. Exceptions to this general rule apply in the case of a Short-Term Note, to the extent of any accrued discount not previously included in the U.S. Holder's taxable income. See "—Original Issue Discount" above. The deductibility of capital losses is subject to limitations.

Foreign Currency Notes

The rules applicable to foreign currency notes could require some or all of the gain or loss on the sale, exchange or other disposition of a foreign currency note to be recharacterized as ordinary income or loss. The rules applicable to foreign currency notes are complex and their application may depend on the U.S. Holder's particular U.S. federal income tax situation. For example, various elections are available under these rules, and whether a U.S. Holder should make any of these elections may depend on the U.S. Holder's particular U.S. federal income tax situation. U.S. Holders are urged to consult their own tax advisers regarding the U.S. federal income tax consequences of the acquisition, ownership and disposition of foreign currency notes.

A U.S. Holder who uses the cash method of accounting and who receives a payment of qualified stated interest (or who receives proceeds from a sale, exchange or other disposition attributable to accrued interest) in a foreign currency with respect to a foreign currency note will be required to include in income the U.S. dollar

value of the foreign currency payment (determined based on a spot rate on the date the payment is received) regardless of whether the payment is in fact converted into U.S. dollars at that time, and this U.S. dollar value will be the U.S. Holder's tax basis in the foreign currency.

An accrual-method U.S. Holder will be required to include in income the U.S. dollar value of the amount of interest income (including original issue discount, but reduced by amortizable bond premium to the extent applicable) that has accrued and is otherwise required to be taken into account with respect to a foreign currency note during an accrual period. Original issue discount and amortizable bond premium on a foreign currency note will be determined in the relevant foreign currency. The U.S. dollar value of the accrued income will be determined by translating the income at the average rate of exchange for the accrual period or, with respect to an accrual period that spans two taxable years, at the average rate for the partial period within the taxable year. A U.S. Holder may elect to translate interest income (including original issue discount) into U.S. dollars at the spot rate on the last day of the interest accrual period (or, in the case of a partial accrual period, the spot rate on the last day of the taxable year) or, if the date of receipt is within five business days of the last day of the interest accrual period, the spot rate on the date of receipt. A U.S. Holder that makes this election must apply it consistently to all debt instruments from year to year and cannot revoke the election without the consent of the Internal Revenue Service. A U.S. Holder may recognize ordinary income or loss (which will not be treated as interest income or expense) with respect to accrued interest income on the date the interest payment or proceeds from the sale, exchange or other disposition attributable to accrued interest is actually received. The amount of ordinary income or loss recognized will equal the difference between the U.S. dollar value of the foreign currency payment received (determined based on a spot rate on the date the payment is received) in respect of the accrual period and the U.S. dollar value of interest income that has accrued during the accrual period (as determined above). Rules similar to these rules apply in the case of cash-method U.S. Holders who are required to currently accrue original issue discount.

If an election to amortize bond premium is made, amortizable bond premium taken into account on a current basis will reduce interest income in units of the relevant foreign currency. Exchange gain or loss is realized on amortized bond premium with respect to any period by treating the bond premium amortized in the period in the same manner as it would have been treated on the sale, exchange or retirement of the foreign currency note. Any exchange gain or loss will be ordinary income or loss as described below. If the election is not made, any bond premium will be taken into account in determining the overall gain or loss on the notes and any loss realized on the sale, exchange or retirement of a foreign currency note with amortizable bond premium by a U.S. Holder who has not elected to amortize the premium will be a capital loss to the extent of the bond premium.

A U.S. Holder's tax basis in a foreign currency note, and the amount of any subsequent adjustment to the U.S. Holder's tax basis (including adjustments for original issue discount included as income and any bond premium previously amortized or principal payments received), will be the U.S. dollar value of the foreign currency amount paid for such foreign currency note, or of the foreign currency amount of the adjustment, determined on the date of the purchase or adjustment. A U.S. Holder who purchases a foreign currency note with previously owned foreign currency will recognize ordinary income or loss in an amount equal to the difference, if any, between the U.S. Holder's tax basis in the foreign currency and the U.S. dollar fair market value of the foreign currency note on the date of purchase.

Gain or loss realized upon the sale, exchange or retirement of a foreign currency note that is attributable to fluctuations in currency exchange rates will be ordinary income or loss that will not be treated as interest income or expense. Gain or loss attributable to fluctuations in exchange rates will equal the difference between (i) the U.S. dollar value of the foreign currency principal amount of the note, determined on the date the payment is received or the note is disposed of, (or if the note is traded on an established securities market, on the settlement date if the U.S. Holder is a cash basis U.S. Holder or an electing accrual basis U.S. Holder); and (ii) the U.S. dollar value of the foreign currency principal amount of the note, determined on the date the U.S. Holder acquired the note. Payments received attributable to accrued interest will be treated in accordance with the rules applicable to payments of interest on foreign currency notes described above. The foreign currency gain or loss will be recognized only to the extent of the total gain or loss realized by a U.S. Holder on the sale, exchange or retirement of the foreign currency note. The foreign currency gain or loss for U.S. Holders will be U.S.-source. Any gain or loss realized by a U.S. Holder in excess of the foreign currency gain or loss will be capital gain or loss (except in the case of a Short-Term Note, to the extent of any discount not previously included in the U.S. Holder's income).

A U.S. Holder will have a tax basis in any foreign currency received on the sale, exchange or retirement of a foreign currency note equal to the U.S. dollar value of the foreign currency, determined at the time of sale, exchange or retirement. Provided the foreign currency notes are traded on an established securities market, a cash-method U.S. Holder who buys or sells a foreign currency note is required to translate units of foreign

currency paid or received into U.S. dollars at the spot rate on the settlement date of the purchase or sale. Accordingly, no exchange gain or loss will result for such holders from currency fluctuations between the trade date and the settlement of the purchase or sale. An accrual-method U.S. Holder may elect the same treatment for all purchases and sales of foreign currency notes, provided the foreign currency notes are traded on an established securities market. This election cannot be revoked without the consent of the Internal Revenue Service. Any gain or loss realized by a U.S. Holder on a sale or other disposition of foreign currency (including its exchange for U.S. dollars or its use to purchase foreign currency notes) will be ordinary income or loss.

A U.S. Holder may be required to file a reportable transaction disclosure statement with the U.S. Holder's U.S. federal income tax return, if such U.S. Holder realizes a loss on the sale or other disposition of a foreign currency note and such loss is greater than applicable threshold amounts, which differ depending on the status of the U.S. Holder. A U.S. Holder that claims a deduction with respect to a foreign currency note should consult its own tax adviser regarding the need to file a reportable transaction disclosure statement.

Information Reporting and Backup Withholding

Payments of dividends on, interest and the proceeds from a sale or other disposition of, ADSs, ordinary shares or notes that are made within the United States or through certain U.S.-related financial intermediaries generally are subject to information reporting and backup withholding unless the U.S. Holder is an exempt recipient or, in the case of backup withholding, the holder provides a correct taxpayer identification number and certifies that no loss of exemption from backup withholding has occurred. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle the U.S. Holder to a refund, provided that the required information is timely furnished to the Internal Revenue Service.

Certain U.S. Holders who are individuals and certain U.S. entities closely-held by individuals may be required to report information relating to securities issued by a non-U.S. person, subject to certain exceptions (including an exception for securities held in accounts maintained by financial institutions, which accounts may be reportable if maintained by non-U.S. financial institutions). U.S. Holders should consult their tax advisers regarding their reporting obligations with respect to the ADSs, ordinary shares or notes.

Potential FATCA withholding after December 31, 2018

Certain provisions of the Code and U.S. Treasury regulations commonly known as FATCA, as well as certain intergovernmental agreements between the United States and certain other countries (including Spain), together with local country implementing legislation, may impose 30% withholding on certain payments made in respect of the notes, ADSs and ordinary shares ("FATCA withholding"), to the extent such payments are considered "foreign passthru payments" (which term is not yet defined). FATCA withholding would apply only if the payments are made to a recipient (including an intermediary) that is a "foreign financial institution" that has not entered into an agreement with the U.S. Internal Revenue Service pursuant to FATCA or otherwise established an exemption from FATCA withholding and are made on (i) notes treated as debt for U.S. federal income tax purposes that are issued or materially modified on or after the date that is six months after the date on which final U.S. Treasury regulations defining the term "foreign passthru payments" are filed or (ii) ADSs, ordinary shares or notes treated as equity for U.S. federal income tax purposes, in each case, only if the payment is made on or after the later of January 1, 2019 and the date on which final U.S. Treasury regulations defining the term "foreign passthru payments" are published. It is not yet clear whether or to what extent payments on the ADSs, ordinary shares or notes will be treated as foreign passthru payments.

The United States has entered into intergovernmental agreements with Spain and many other jurisdictions to implement FATCA. It is not yet certain how the United States and these jurisdictions will address "foreign passthru payments" or if FATCA withholding will be required at all under such agreements.

If FATCA withholding is required, none of BBVA, the trustee or any paying agent will pay any additional amounts with respect to any amounts so withheld. If any FATCA withholding is imposed by the United States, a beneficial owner of notes, ADSs or ordinary shares that is not a foreign financial institution may be entitled to a refund of amounts withheld by filing a U.S. federal income tax return. A beneficial owner of notes, ADSs, or ordinary shares that is a foreign financial institution will be able to obtain a refund of FATCA withholding imposed by the United States only to the extent an applicable income tax treaty with the United States entitles it to an exemption from, or reduced rate of, tax on the payment that was subject to FATCA withholding. Prospective investors and beneficial owners of notes, ADSs and ordinary shares should consult their tax advisers as to how these rules may apply to payments they receive under the notes, ADSs and ordinary shares and their ability to obtain a refund of any FATCA withholding.

BENEFIT PLAN INVESTOR CONSIDERATIONS

The Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and Section 4975 of the Internal Revenue Code of 1986, (the "Code"), impose certain requirements on (a) employee benefit plans subject to Title I of ERISA, (b) individual retirement accounts, Keogh plans or other arrangements subject to Section 4975 of the Code, (c) entities whose underlying assets include "plan assets" by reason of any such plan's or arrangement's investment therein (we refer to the foregoing collectively as "Plans") and (d) persons who are fiduciaries with respect to Plans. In addition, certain governmental, church and non-U.S. plans ("Non-ERISA Arrangements") are not subject to Section 406 of ERISA or Section 4975 of the Code, but may be subject to other laws that are substantially similar to those provisions (each, a "Similar Law").

In addition to ERISA's general fiduciary standards, Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of a Plan and persons who have specified relationships to the Plan, *i.e.*, "parties in interest" as defined in ERISA or "disqualified persons" as defined in Section 4975 of the Code (we refer to the foregoing collectively as "parties in interest") unless exemptive relief is available under an exemption issued by the U.S. Department of Labor. Parties in interest that engage in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and Section 4975 of the Code. We and the underwriters, agents and dealers through which the securities described in this prospectus may be sold, and our and their current and future affiliates, may be parties in interest with respect to many Plans. Thus, a Plan fiduciary considering an investment in the securities described in this prospectus should also consider whether such an investment might constitute or give rise to a prohibited transaction under ERISA or Section 4975 of the Code. For example, the securities may be deemed to represent a direct or indirect sale of property, extension of credit or furnishing of services between us and an investing Plan which would be prohibited if we are a party in interest with respect to the Plan unless exemptive relief were available under an applicable exemption.

In this regard, each prospective purchaser that is, or is acting on behalf of, a Plan, and proposes to purchase the securities described in this prospectus, should consider the exemptive relief available under the following prohibited transaction class exemptions, or PTCEs: (A) the in-house asset manager exemption (PTCE 96-23), (B) the insurance company general account exemption (PTCE 95-60), (C) the bank collective investment fund exemption (PTCE 91-38), (D) the insurance company pooled separate account exemption (PTCE 90-1) and (E) the qualified professional asset manager exemption (PTCE 84-14). In addition, ERISA Section 408(b)(17) and Section 4975(d)(20) of the Code may provide a limited exemption for the purchase and sale of securities and related lending transactions, provided that neither the issuer of the securities nor any of its affiliates have or exercise any discretionary authority or control or render any investment advice with respect to the assets of the Plan involved in the transaction and provided further that the Plan pays no more, and receives no less, than adequate consideration in connection with the transaction (the so-called "service provider exemption"). There can be no assurance that any of these statutory or class exemptions will be available with respect to transactions involving the securities described in this prospectus.

Each purchaser or holder of a security covered by this prospectus, and each fiduciary who causes any entity to purchase or hold a security covered by this prospectus, shall be deemed to have represented and warranted, on each day such purchaser or holder holds such securities, that either (i) it is neither a Plan nor a Non-ERISA Arrangement and it is not purchasing or holding securities on behalf of or with the assets of any Plan or Non-ERISA arrangement; or (ii) its purchase, holding and subsequent disposition of such securities shall not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA, Section 4975 of the Code or any provision of Similar Law.

Fiduciaries of any Plans and Non-ERISA Arrangements should consult their own legal counsel before purchasing the securities described in this prospectus. We also refer you to the portions of the offering circular addressing restrictions applicable under ERISA, the Code and Similar Law.

Each purchaser of a security covered by this prospectus will have exclusive responsibility for ensuring that its purchase, holding and subsequent disposition of the security does not violate the fiduciary or prohibited transaction rules of ERISA, the Code or any Similar Law. Nothing herein shall be construed as a representation that an investment in the securities described in this prospectus would meet any or all of the relevant legal requirements with respect to investments by, or is appropriate for, Plans or Non-ERISA Arrangements generally or any particular Plan or Non-ERISA Arrangement.

PLAN OF DISTRIBUTION

We may sell the securities being offered by this prospectus: (1) through selling agents; (2) through underwriters; (3) through dealers; and/or (4) directly to purchasers. Any of these selling agents, underwriters or dealers in the United States or outside the United States may include affiliates of ours. In addition, we may issue our ordinary shares (including in the form of ADSs) in a subscription rights offering to our existing shareholders.

We may designate selling agents from time to time to solicit offers to purchase these securities. We will name any such agent, who may be deemed to be an underwriter as that term is defined in the Securities Act, and state any commissions we are to pay to that agent in the applicable prospectus supplement or term sheet. That agent will be acting on a reasonable efforts basis for the period of its appointment unless otherwise indicated in the applicable prospectus supplement or term sheet.

If we use any underwriters to offer and sell these securities, we will enter into an underwriting agreement with those underwriters when we and they determine the offering price of the securities, and we will include the names of the underwriters and the terms of the transaction, including the compensation the underwriters will receive, in the applicable prospectus supplement or term sheet.

If we offer our ordinary shares in a subscription rights offering to our existing shareholders, we may enter into a standby underwriting agreement with dealers acting as standby underwriters. We may pay the standby underwriters a commitment fee for the securities they commit to purchase on a standby basis. If we do not enter into a standby underwriting arrangement, we may retain a dealer-manager to manage a subscription rights offering for us.

If we use a dealer to offer and sell these securities, we will sell the securities to the dealer, as principal, and will name the dealer and include the terms of the transaction in the applicable prospectus supplement or term sheet. The dealer may then resell the securities to the public at varying prices to be determined by that dealer at the time of resale.

Our net proceeds will be the purchase price in the case of sales to a dealer, the public offering price less the relevant discount in the case of sales to an underwriter or the purchase price less the relevant commission in the case of sales through a selling agent, in each case, less other expenses attributable to issuance and distribution.

Offers to purchase securities may be solicited directly by us, and the sale of those securities may be made by us directly to institutional investors or others, who may be deemed to be underwriters within the meaning of the Securities Act with respect to any resale of those securities. The terms of any sales of this type will be described in the applicable prospectus supplement or term sheet.

We may engage in at the market offerings into an existing trading market in accordance with Rule 415(a)(4) of the Securities Act.

One or more firms, referred to as “remarketing firms”, may also offer or sell the securities, if the applicable prospectus supplement or term sheet so indicates, in connection with a remarketing arrangement upon their purchase. Remarketing firms will act as principals for their own accounts or as agents for us or any of our subsidiaries. These remarketing firms will offer or sell the securities in accordance with a redemption or repayment pursuant to the terms of the securities. The applicable prospectus supplement or term sheet will identify any remarketing firm and the terms of its agreement, if any, with us or any of our subsidiaries and will describe the remarketing firm’s compensation. Remarketing firms may be deemed to be underwriters within the meaning of the Securities Act in connection with the securities they remarket.

Until the distribution of the securities is completed, rules of the SEC may limit the ability of underwriters and other participants in the offering to bid for and purchase the securities covered by the prospectus. As an exception to these rules, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of such securities or any other securities the prices of which may be used to determine payments on such securities. Specifically, the underwriters may sell more securities than they are obligated to purchase in connection with the offering, creating a short position for their own accounts. A short sale is covered if the short position is no greater than the number or amount of securities available for purchase by the underwriters under any over-allotment option. The underwriters can close out a covered short sale by exercising the over-allotment option or purchasing such securities in the open market. In determining the source of securities to close out a covered short sale, the underwriters will consider, among other things, the open market price of such securities

compared to the price available under any over-allotment option. The underwriters may also sell the securities covered by this prospectus in excess of any over-allotment option, creating a naked short position. The underwriters must close out any naked short position by purchasing securities in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the offered securities in the open market after pricing that could adversely affect investors who purchase in the offering. As an additional means of facilitating the offering, the underwriters may bid for, and purchase, such securities or any other securities in the open market to stabilize the price of such securities or of any other securities. The underwriters also may impose a penalty bid on certain underwriters. This means that if the underwriters purchase the securities in the open market to reduce the underwriters' short position or to stabilize the price of the securities, they may reclaim the amount of the selling concession from the underwriters who sold those securities as part of the offering. In general, purchases of a security for the purpose of stabilization or to reduce a short position could cause the price of the security to be higher than it might be in the absence of such purchases. The imposition of a penalty bid might also have an effect on the price of a security to the extent that it was to discourage resales of the security. Any of these activities may raise or maintain the market price of such securities above independent market levels or prevent or retard a decline in the market price of such securities. The underwriters are not required to engage in these activities, and may end any of these activities at any time.

Selling agents, underwriters, dealers and remarketing firms may be entitled under agreements with us to indemnification by us against some civil liabilities, including liabilities under the Securities Act, and may be customers of, engage in transactions with or perform services for us in the ordinary course of business.

If so indicated in the applicable prospectus supplement or term sheet, we will authorize selling agents, underwriters or dealers to solicit offers by some purchasers to purchase securities from us at the public offering price stated in the applicable prospectus supplement or term sheet under delayed delivery contracts providing for payment and delivery on a specified date in the future. If we use delayed delivery contracts, we will disclose that we are using them in the prospectus supplement or term sheet and will tell you when we will demand payment and delivery of the securities under the delayed delivery contracts. These contracts will be subject only to those conditions described in the applicable prospectus supplement or term sheet, and the applicable prospectus supplement or term sheet will state the commission payable for solicitation of these offers.

Any underwriter, selling agent or dealer utilized in the initial offering of securities will not confirm sales to accounts over which it exercises discretionary authority without the prior specific written approval of its customer.

To the extent an initial offering of the securities will be distributed by an affiliate of ours, each such offering of securities will be conducted in compliance with the requirements of Financial Industry Regulatory Authority ("FINRA") Rule 5121 regarding a FINRA member firm's distribution of securities of an affiliate.

Underwriting discounts and commissions on securities sold in the initial distribution will not exceed 8% of the offering proceeds.

In the ordinary course of their respective businesses, the underwriters named in the applicable prospectus supplement or term sheet and their affiliates may have engaged and may in the future engage in various banking and financial services for and commercial transactions with us and/or our affiliates for which they received or will receive customary fees and expenses. In addition, affiliates of the underwriters may enter into interest rate swaps or other hedging transactions with us in connection with a particular offering of securities and may receive compensation in connection with that transaction.

VALIDITY OF THE SECURITIES

The validity of our securities, where applicable, and certain other matters of Spanish law will be passed upon for us by J&A Garrigues S.L.P., our Spanish counsel. Certain matters of U.S. federal and New York State law will be passed upon for us by Davis Polk & Wardwell LLP, our U.S. counsel, and for any underwriters or agents by Sidley Austin LLP, the underwriters' U.S. counsel.

EXPERTS

The consolidated financial statements as of December 31, 2015, 2014 and 2013 and for each of the three years in the period ended December 31, 2015, incorporated by reference in this prospectus from BBVA's 2015 Form 20-F, and the effectiveness of the BBVA Group internal control over financial reporting have been audited by Deloitte, S.L., an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference. Such consolidated financial statements have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

ENFORCEMENT OF CIVIL LIABILITIES

BBVA is a limited liability company (*sociedad anónima*) organized under the laws of Spain. Substantially all of our directors and executive officers, and certain of the experts named in this document, are not residents of the United States. All or a substantial portion of our assets and those persons are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons with respect to matters arising under the Securities Act or to enforce against them judgments of courts of the United States predicated upon civil liability under the Securities Act. We are advised by Spanish legal counsel that there is doubt as to the enforceability in Spain in original actions or in actions for enforcement of judgments of U.S. courts, of liabilities predicated solely upon the securities laws of the United States. We have submitted to the non-exclusive jurisdiction of New York state and U.S. federal courts sitting in New York City for the purpose of any suit, action or proceeding arising out of or in connection with the senior notes and subordinated notes and have appointed Banco Bilbao Vizcaya Argentaria, S.A. New York Branch, as agent in New York City to accept service of process in any such action.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 8. Indemnification of Directors and Officers

Indemnification under BBVA's bylaws (estatutos) and Spanish law

Under Spanish law, BBVA's current and former directors will be liable to BBVA and the shareholders and the creditors of BBVA for any damage they cause through acts contrary to the law or the bylaws, or acts carried out in breach of the duties inherent in the discharge of their office. No provision of BBVA's bylaws provides for the indemnification of the directors with respect to such liabilities.

BBVA directors & officers insurance

BBVA maintains an insurance policy that protects its officers and directors from liabilities incurred as a result of actions taken in their official capacity associated with any civil, criminal or administrative process.

Item 9. Exhibits

Number	Description	Incorporated by Reference to Filings Indicated
1.1	Form of Underwriting Agreement for Ordinary Shares	**
1.2	Form of Underwriting Agreement for Senior Notes of BBVA	*
1.3	Form of Underwriting Agreement for Subordinated Notes of BBVA	*
3.1	Amended and Restated bylaws (*Estatutos*) of BBVA (English translation)	*
4.1	Form of Amended and Restated Deposit Agreement	Exhibit 1 to registration statement on Form F-6 (File No. 333-142862), filed on May 11, 2007
4.2	Senior Indenture among BBVA, as Issuer, and The Bank of New York Mellon, as Trustee	*
4.3	Form of Senior Notes of BBVA (included in Exhibit 4.2)	*
4.4	Subordinated Indenture among BBVA, as Issuer, and The Bank of New York Mellon, as Trustee	*
4.5	Form of Subordinated Notes of BBVA (included in Exhibit 4.4)	*
5.1	Opinion of J&A Garrigues S.L.P.	*
5.2	Opinion of Davis Polk & Wardwell LLP	*
12	Statement Regarding Computation of Ratios	*
23.1	Consent of Deloitte, S.L.	*
23.2	Consent of J&A Garrigues S.L.P. (included in Exhibit 5.1)	
23.3	Consent of Davis Polk & Wardwell LLP (included in Exhibit 5.2)	
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* Filed herewith.
** To be filed by amendment or incorporated by reference to a subsequently filed Form 6-K.

Item 10. Undertakings

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, *however*, that paragraphs (1)(i), (1)(ii) and (1)(iii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) To file a post-effective amendment to the registration statement to include any financial statements required by Item 8.A of Form 20-F at the start of any delayed offering or throughout a continuous offering. Financial statements and information otherwise required by Section 10(a)(3) of the Securities Act need not be furnished, *provided* that the registrant includes in the prospectus, by means of a post-effective amendment, financial statements required pursuant to this paragraph (4) and other information necessary to ensure that all other information in the prospectus is at least as current as the date of those financial statements. Notwithstanding the foregoing, a post-effective amendment need not be filed to include financial statements and information required by Section 10(a)(3) of the Securities Act or Rule 3-19 of Regulation S-X if such financial statements and information are contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in this registration statement.

(5) That, for the purpose of determining liability under the Securities Act to any purchaser:

(i) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. *Provided,*

however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

(6) That, for the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(7) That, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(8) In the event that the securities being registered are to be offered to existing security holders pursuant to warrants or rights and any securities not taken by security holders are to be reoffered to the public, to supplement the prospectus, after the expiration of the subscription period, to set forth the results of the subscription offer, the transactions by the underwriters during the subscription period, the amount of unsubscribed securities to be purchased by the underwriters, and the terms of any subsequent reoffering thereof. The registrant further undertakes that if any public offering by the underwriters is to be made on terms differing from those set forth on the cover page of the prospectus, the registrant shall file a post-effective amendment to set forth the terms of such offering.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, Banco Bilbao Vizcaya Argentaria, S.A. certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form F-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in Spain, on July 28, 2016.

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

By: /s/ Jaime Sáenz de Tejada Pulido
Name: Jaime Sáenz de Tejada Pulido
Title: Head of Finance

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS that each of the individuals whose signature appears below (whether as a member of the Board of Directors or officer of Banco Bilbao Vizcaya Argentaria, S.A., as authorized representative of Banco Bilbao Vizcaya Argentaria, S.A. or otherwise) constitutes and appoints Jaime Sáenz de Tejada Pulido, Erik Schotkamp, Antonio Joaquín Borraz Peralta, Francisco Javier Colomer Betoret and Raúl Moreno Carnero and each of them, his or her true and lawful attorneys-in-fact and agent, with full and several power of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) and supplements to this registration statement or any registration statement in connection herewith that is to be effective upon filing pursuant to Rule 462 (b) under the Securities Act, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Francisco González Rodríguez Francisco González Rodríguez	Group Executive Chairman	July 28, 2016
/s/ Carlos Torres Vila Carlos Torres Vila	Chief Executive Officer	July 28, 2016
/s/ Tomás Alfaro Drake Tomás Alfaro Drake	Director	July 28, 2016
/s/ José Miguel Andrés Torrecillas José Miguel Andrés Torrecillas	Director	July 28, 2016
/s/ José Antonio Fernández Rivero José Antonio Fernández Rivero	Director	July 28, 2016
/s/ Belén Garijo López Belén Garijo López	Director	July 28, 2016
/s/ José Manuel González-Páramo Martínez-Murillo José Manuel González-Páramo Martínez-Murillo	Director	July 28, 2016

Signature	Title	Date
/s/ Sunir Kumar Kapoor Sunir Kumar Kapoor	Director	July 28, 2016
/s/ Carlos Loring Martínez de Irujo Carlos Loring Martínez de Irujo	Director	July 28, 2016
/s/ Lourdes Máiz Carro Lourdes Máiz Carro	Director	July 28, 2016
/s/ José Maldonado Ramos José Maldonado Ramos	Director	July 28, 2016
/s/ José Luis Palao García-Suelto José Luis Palao García-Suelto	Director	July 28, 2016
/s/ Juan Pi Llorens Juan Pi Llorens	Director	July 28, 2016
/s/ Susana Rodríguez Vidarte Susana Rodríguez Vidarte	Director	July 28, 2016
/s/ James Andrew Stott James Andrew Stott	Director	July 28, 2016
/s/ Ricardo Gómez Barredo Ricardo Gómez Barredo	Head of Global Accounting and Information Management	July 28, 2016
/s/ James Andrew Stott James Andrew Stott	Director	July 28, 2016
/s/ Diego Crasny Zyman Diego Crasny Zyman	Authorized Representative of Banco Bilbao Vizcaya Argentaria, S.A. in the United States	July 28, 2016

EXHIBIT INDEX

Number	Description	Incorporated by Reference to Filings Indicated
1.1	Form of Underwriting Agreement for Ordinary Shares	**
1.2	Form of Underwriting Agreement for Senior Notes of BBVA	*
1.3	Form of Underwriting Agreement for Subordinated Notes of BBVA	*
3.1	Amended and Restated bylaws (*Estatutos*) of BBVA (English translation)	*
4.1	Form of Amended and Restated Deposit Agreement	Exhibit 1 to registration statement on Form F-6 (File No. 333-142862), filed on May 11, 2007
4.2	Senior Indenture among BBVA, as Issuer, and The Bank of New York Mellon, as Trustee	*
4.3	Form of Senior Notes of BBVA (included in Exhibit 4.2)	*
4.4	Subordinated Indenture among BBVA, as Issuer, and The Bank of New York Mellon, as Trustee	*
4.5	Form of Subordinated Notes of BBVA (included in Exhibit 4.4)	*
5.1	Opinion of J&A Garrigues S.L.P.	*
5.2	Opinion of Davis Polk & Wardwell LLP	*
12	Statement Regarding Computation of Ratios	*
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* Filed herewith.
** To be filed by amendment or incorporated by reference to a subsequently filed Form 6-K.

Exhibit 1.2

Banco Bilbao Vizcaya Argentaria, S.A.

Senior Notes

Underwriting Agreement

[Date]

To the Representatives named from time to time in the
applicable Pricing Agreement hereinafter described.

Ladies and Gentlemen:

From time to time Banco Bilbao Vizcaya Argentaria, S.A. (the "Company"), a *sociedad anónima* incorporated under the laws of the Kingdom of Spain, proposes to enter into one or more Pricing Agreements (each a "Pricing Agreement") in the form of Annex I hereto, with such additions and deletions as the parties thereto may determine and, subject to the terms and conditions stated herein and therein, the Company proposes to issue and sell to the several firms named in Schedule I to the applicable Pricing Agreement (such firms constituting the "Underwriters" with respect to such Pricing Agreement and the securities specified therein) the senior notes specified in Schedule II to such Pricing Agreement (the "Securities"). *[The following to be added, if applicable]* [The [Indenture (as defined below)/the paying agency agreement to be dated on or about [●] between the Company and [●] (the "Paying Agency Agreement")] will provide for the provision by [●], as the initial paying agent in respect of the Securities (in such capacity, the "Paying Agent"), of a duly executed and completed payment statement in connection with each payment of income (as such term is defined in the Pricing Prospectus (as defined herein)) under the Securities, and set forth certain procedures agreed by the Company and the Paying Agent in order to facilitate such process, along with a form of the payment statement to be used by the Paying Agent.]

The terms and rights of any particular issuance of Securities shall be as specified in the Pricing Agreement relating thereto and in or pursuant to the indenture dated July 28, 2016 (the "Base Indenture")[, as supplemented, with respect to the Securities, by a supplemental indenture to be dated on or about [●]] (the "[●] Supplemental Indenture") (the Base Indenture [as supplemented, with respect to the Securities, by the [●] Supplemental Indenture and] as supplemented from time to time, the "Indenture") between the Company and The Bank of New York Mellon (in such capacity, the "Trustee"). In addition, the Pricing Agreement may contain, if appropriate, the terms and the conditions upon which the Securities are to be offered or sold outside the United States and any provisions relating thereto. The Securities are not to be offered, distributed or sold in Spain in the primary market and no publicity of any kind relating to the Securities is to be made in Spain.

In this Agreement and in the Pricing Agreement, the following terms shall, unless the context otherwise requires, have the meanings specified as follows:

"Act" means the United States Securities Act of 1933, as amended;

"Applicable Time" means the applicable time specified in the applicable Pricing Agreement;

"Base Prospectus" means the prospectus included in the Registration Statement relating to the Securities, in the form in which it has most recently been filed with the Commission on or prior to the date of the applicable Pricing Agreement;

"BRRD Liability" means any liability, commitment, duty, responsibility, amount payable or contingency or other obligation arising from, or related to, the Agreement or the Pricing Agreement which may be subject to the exercise of the Spanish Bail-in Power (as defined below) by the Relevant Spanish Resolution Authority (as defined below);

"Commission" means the United States Securities and Exchange Commission;

"Effective Time" with respect to the Registration Statement means such date and time as of which any part of the Registration Statement filed prior to the execution and delivery of the applicable Pricing Agreement was declared effective by the Commission or has become effective upon filing pursuant to Rule 430B(f)(2) or Rule 462(c) under the Act;

"Exchange Act" means the United States Securities Exchange Act of 1934, as amended;

"Final Term Sheet" means the final term sheet containing a description of the Securities, prepared and filed pursuant to Section 5(a) hereof, and set forth as an appendix to the applicable Pricing Agreement;

"Law 11/2015" means Spanish Law 11/2015 of June 18, on the recovery and resolution of credit institutions and investment firms (*Ley 11/2015 de 18 de junio, de Recuperación y Resolución de Entidades de Crédito y Empresas de Servicios de Inversión*), as amended, replaced or supplemented from time to time;

"Pricing Prospectus" means the Base Prospectus, as amended and supplemented immediately prior to the Applicable Time, including any document incorporated by reference therein and any prospectus supplement deemed to be a part thereof, provided that, for purposes of this definition, information contained in a form of prospectus that is deemed retroactively to be part of the Registration Statement pursuant to Rule 430B under the Act shall be considered to be included in the Pricing Prospectus as of the actual time that form of prospectus is filed with the Commission pursuant to Rule 424(b) under the Act;

"Prospectus" means the Base Prospectus as proposed to be supplemented by the Prospectus Supplement;

"Prospectus Supplement" means the prospectus supplement relating to the Securities to be filed pursuant to Rule 424 under the Act;

"RD 1012/2015" means Royal Decree 1012/2015 of November 6, by virtue of which Law 11/2015 is developed and Royal Decree 2606/1996 of December 20 on credit entities' deposit guarantee fund is amended, as amended, replaced or supplemented from time to time;

"Registration Statement" means the registration statement on Form F-3 (File No. 333-[●]), including the Prospectus, relating to the Securities filed with the Commission, as amended to the date of the applicable Pricing Agreement;

"Relevant Spanish Resolution Authority" means the Spanish Fund for the Orderly Restructuring of Banks (*Fondo de Restructuración Ordenada Bancaria*), the European Single Resolution Mechanism and, as the case may be, according to Law 11/2015, the Bank of Spain and the Spanish Securities Market Commission (CNMV), and any other entity with the authority to exercise the Spanish Bail-in Power (as defined below) from time to time;

"Spanish Bail-in Power" means any write-down, conversion, transfer, modification, or suspension power existing from time to time under: (i) any law, regulation, rule or requirement applicable from time to time in the Kingdom of Spain, relating to the transposition or development of Directive 2014/59/EU of the European Parliament and the Council of the European Union of May 15, 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended, replaced or supplemented from time to time, including, but not limited to (a) Law 11/2015, (b) RD 1012/2015 and (c) Regulation (EU) No. 806/2014 of the European Parliament and of the Council of July 15, 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Resolution Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010, as amended, replaced or supplemented from time to time; or (ii) any other law, regulation, rule or requirement applicable from time to time in the Kingdom of Spain pursuant to which (a) obligations or liabilities of banks, investment firms or other financial institutions or their affiliates can be reduced, cancelled, modified, transferred or converted into shares, other securities, or other obligations of such persons or any other person (or suspended for a temporary period or permanently) or (b) any right in a contract governing such obligations may be deemed to have been exercised;

"Significant Subsidiaries" shall mean BBVA Compass Bancshares, Inc. and Grupo Financiero BBVA Bancomer, S.A. de C.V.; and

"Underwriter Information" shall have the meaning set forth in the applicable Pricing Agreement.

Any reference herein to the Registration Statement or the Prospectus shall be deemed to refer to and include the documents which were filed under the Act or the Exchange Act on or before the date and time of the applicable Pricing Agreement, and incorporated by reference in the Registration Statement and the Prospectus, excluding any documents or portions of such documents which are deemed under the rules and regulations of the Commission under the Act not to be incorporated by reference, and, in the case of the Registration Statement, including any prospectus supplement filed with the Commission and deemed by virtue of Rule 430B under the Act to be part of the Registration Statement. Any reference herein to the terms "amend", "amendment" or "supplement" with respect to the Registration Statement or the Prospectus shall be deemed to refer to and include the filing of any document under the Exchange Act deemed to be incorporated therein by reference after the date of the applicable Pricing Agreement.

1. Particular sales of Securities may be made from time to time by the Company to the Underwriters of such Securities, for whom the firms designated as representatives of the Underwriters of such Securities in the Pricing Agreement relating thereto will act as representatives (the "Representatives"). The term "Representatives" also refers to a single firm acting as sole representative of the Underwriters and to an Underwriter or Underwriters who act without any firm being designated as its or their representatives. This Underwriting Agreement shall not be construed as an obligation of the Company to sell any of the

Securities or as an obligation of any of the Underwriters to purchase the Securities except as set forth in a Pricing Agreement, it being understood that the obligation of the Company to issue and sell any of the Securities and the obligation of any of the Underwriters to purchase any of the Securities shall be evidenced by the applicable Pricing Agreement with respect to the Securities specified therein. Each Pricing Agreement shall specify the aggregate principal amount and interest rate of such Securities, the initial public offering price of such Securities, the purchase price to the Underwriters of such Securities, the names of the Underwriters of such Securities, the names of the Representatives of such Underwriters, the principal amount of such Securities to be purchased by each Underwriter and the underwriting discount and/or commission, if any, payable to the Underwriters with respect thereto and shall set forth the date, time and manner of delivery of such Securities and payment therefor. The applicable Pricing Agreement shall also specify (to the extent not set forth in the Registration Statement and Prospectus with respect thereto) the terms of such Securities. A Pricing Agreement shall be in the form of an executed writing (which may be in counterparts), and may be evidenced by an exchange of telegraphic communications or any other rapid transmission device designed to produce a written record of communications transmitted. The obligations of the Underwriters under this Agreement and each Pricing Agreement shall be several and not joint.

2. The Company represents and warrants to, and agrees with, each of the Underwriters that:

(a) The Company meets the requirements for the use of Form F-3, and the Registration Statement, including the Prospectus, has been filed with the Commission in accordance with applicable regulations of the Commission under the Act, and has been declared or has become effective under the Act;

(b) No stop order suspending the effectiveness of the Registration Statement (as amended or supplemented) has been issued and no proceeding for that purpose has been initiated or threatened, and no order preventing or suspending the use of the Prospectus or any "issuer free writing prospectus" as defined in Rule 433 under the Act relating to the Securities (an "Issuer Free Writing Prospectus") has been issued by the Commission;

(c) At the Effective Time, the Registration Statement and the Prospectus conformed, and any amendments thereof and supplements thereto relating to the Securities will conform, in all material respects to the requirements of the Act, the Exchange Act and the rules and regulations of the Commission thereunder; and neither the Registration Statement at the Effective Time nor the Prospectus as of the date thereof and, as amended or supplemented, at the Time of Delivery (as defined below) of the Securities, included or will include any untrue statement of a material fact or omitted or will omit to state any material fact required to be stated therein or necessary to make the statements therein, in the case of the Registration Statement, not misleading, or in the case of the Prospectus, in light of the circumstances in which they were made, not misleading; provided, however, that this representation and warranty shall not apply to (i) any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by or on behalf of any Underwriter of Securities by the Representatives expressly for use in such documents, it being understood and agreed that the only such information furnished by or on behalf of any Underwriter consists of the Underwriter Information and (ii) any statements or omissions made in that part of the Registration Statement that constitutes the Statement of Eligibility under the Trust Indenture Act of 1939, as amended, of the Trustee;

(d) The Pricing Prospectus, as supplemented by the Final Term Sheet together with any other Issuer Free Writing Prospectus listed in an appendix to the applicable Pricing Agreement and any other "free writing prospectus", as defined in Rule 405 under the Act, that the parties hereto shall hereafter expressly agree in writing to treat as part of the pricing disclosure package (collectively, the "Pricing Disclosure Package"), as of the Applicable Time, did not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and each Issuer Free Writing Prospectus does not conflict with the information contained in the Registration Statement, the Prospectus Supplement or the Prospectus, and each Issuer Free Writing Prospectus and any road show presentation, including any Bloomberg road show presentation made by or on behalf of the Company, taken together with the Pricing Disclosure Package as of the Applicable Time, did not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by or on behalf of any Underwriter of Securities by the Representatives expressly for use in such documents or the Pricing Disclosure Package, it being understood and agreed that the only such information furnished by or on behalf of any Underwriter consists of the Underwriter Information;

(e) Each document incorporated by reference in the Pricing Prospectus or the Prospectus, when it became effective or was filed with the Commission, as the case may be, complied in all material respects with the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and none of such documents contained any untrue statement of any material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; any further documents so filed and incorporated by reference in the Pricing Prospectus or the Prospectus or any further amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder and will not contain any untrue statement of any material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that (i) no such documents were filed with the Commission following the Commission's close of business on the business day immediately prior to the date of the applicable Pricing Agreement and prior to the execution of the applicable Pricing Agreement, except as set forth on a schedule to the applicable Pricing Agreement; and (ii) this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by or on behalf of any Underwriter of Securities by the Representatives expressly for use in such documents;

(f) *[The following to be added, if applicable]* [The [Indenture/Paying Agency Agreement] will provide for the provision by the Paying Agent of a duly executed and completed payment statement in connection with each payment of income (as such term is defined in the Pricing Prospectus) under the Securities, and set forth certain procedures agreed by the Company and the Paying Agent in order to facilitate such process, along with a form of the payment statement to be used by the Paying Agent];

(g) The Company and each of the Significant Subsidiaries has been duly incorporated and is validly existing and in good standing under the laws of the jurisdiction of its incorporation, with power and authority (corporate and other) to own, lease, license and operate its properties and conduct its business as described in the Registration Statement and the Pricing Prospectus;

(h) Neither the Company nor any of the Significant Subsidiaries is in violation of its respective charter or by-laws or in default (or with the giving of notice or lapse of time would be in default) under any existing obligation, agreement, covenant or condition contained in any indenture, loan agreement, mortgage, lease or other agreement or instrument to which any of them is a party or by which any of them is bound or to which any of the properties of any of them is subject, except such defaults that would not, individually or in the aggregate, result in a material adverse effect on the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and the Company's subsidiaries, taken as a whole ("Material Adverse Effect");

(i) The issue and sale of the Securities and the execution and delivery by the Company of, and the performance by the Company of its obligations under, as applicable, all of the provisions of the Securities and the Pricing Agreement (including the provisions of this Agreement), and compliance with the terms and provisions thereof, will not (i) result in a breach or violation of any of the terms and provisions of the charter or by-laws (or similar constitutive documents) of the Company, or (ii) result in a breach of any of the terms or provisions of, or constitute a default under, or result in the imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to (a) the charter or by-laws (or similar constitutive documents) of the Company, (b) any statute, rule, regulation or order of any governmental agency or body or any court, domestic or foreign, having jurisdiction over the Company or any of its properties, or (c) any agreement or instrument to which the Company is a party or by which the Company is bound or to which any of the properties of the Company is subject, except (in the case of (ii) above only) as would not have a Material Adverse Effect; and the Company has full power and authority (corporate and other) to authorize, issue and sell the Securities and perform its obligations thereunder, in each case as contemplated by the Pricing Agreement (including the provisions of this Agreement), and the Company has taken all necessary corporate actions to authorize, issue and sell the Securities and to perform its obligations thereunder;

(j) Except as disclosed in the Pricing Prospectus, since the end of the period covered by the latest financial statements included in the Pricing Disclosure Package (i) there has been no change, nor any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and the Company's subsidiaries,

taken as a whole, that has resulted, or is likely to result, in a Material Adverse Effect and (ii) there has been no change in the capital stock, short-term indebtedness, long-term indebtedness, net current assets or net assets of the Company and the Company's subsidiaries, taken as a whole, that has resulted, or is likely to result, in a Material Adverse Effect;

(k) The issued and outstanding share capital of the Company has been duly authorized and validly issued and is fully paid and non-assessable (i.e., will not subject any holder thereof to further calls or to personal liability to the Company or any of its creditors by reason only of being such holder); none of the outstanding shares of the Company was issued in violation of preemptive or other similar rights;

(l) The Company has implemented and uses procedures that it reasonably believes are required by applicable regulations, including procedures required by the Bank of Spain and the European Central Bank, to monitor, review, calculate, assess and maintain the sufficiency of its consolidated subsidiaries' reserves in light of all the circumstances; the Company calculates, reviews, assesses and estimates its regulated consolidated subsidiaries' regulatory capital requirements, and the Company reasonably believes that its methodology in relation to its risk-based capital position and requirements is, in light of all the circumstances, fair and in accordance with applicable regulations in all material respects;

(m) This Agreement has been duly authorized, executed and delivered by the Company;

(n) The applicable Pricing Agreement (including the provisions of this Agreement) has been duly authorized, executed and delivered by the Company;

(o) All material consents, approvals, authorizations, orders, registrations, clearances and qualifications of or with any court or governmental agency or body or any stock exchange authorities having jurisdiction over the Company required for the issue and sale of the Securities and the performance by the Company of its obligations thereunder and for the execution and delivery by the Company of the applicable Pricing Agreement to be duly and validly authorized, have been obtained or made and are in full force and effect;

(p) The Securities have been duly authorized, and, when issued, delivered and paid for pursuant to a Pricing Agreement, the Securities will have been duly executed, authenticated, issued and delivered by the Company in accordance with Spanish law, will be fully paid and non-assessable and will constitute valid and binding obligations of the Company enforceable against the Company in accordance with their terms, subject, as to enforcement, to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws of general applicability relating to or affecting creditors' rights, to general equity principles and to any exercise of the Spanish Bail-in Power; and no holder thereof will be subject to personal liability by reason only of being such a holder; the Securities will not be subject to the pre-emptive rights of any shareholder of the Company and will be consistent with the description thereof contained in the Prospectus and the applicable Prospectus Supplement, and such descriptions will conform to the rights set forth in the instruments defining the same;

(q) Except as provided in the Pricing Prospectus, the payment obligations of the Company under the Securities will at all times rank *pari passu* without preference among themselves and with respect to any other unsubordinated and unsecured payment obligations of the Company.

(r) Neither the Company, nor any of its affiliates (as defined in Rule 405 under the Act), nor any person acting on its or their behalf (other than any Underwriter, as to which no representation is made) has taken or will take, directly or indirectly, any action designed to cause or to result in, or that has constituted or which might reasonably be expected to cause or result in, the stabilization in violation of applicable laws or manipulation of the price of any security of the Company to facilitate the sale or resale of the Securities;

(s) The Company is not, and after giving effect to the offering and sale of the Securities and the application of the proceeds thereof as described in the Prospectus, will not be, required to register as an "investment company" as such term is defined in the U.S. Investment Company Act of 1940, as amended;

(t) Except as described in the Pricing Prospectus, no stamp or other issuance or transfer taxes or duties or similar fees or charges are payable by or on behalf of the Underwriters to the Kingdom of Spain or any political subdivision or taxing authority thereof or therein in connection with (i) the issuance, sale and delivery by the Company of the Securities to or for the respective accounts of the Underwriters or (ii) the sale and delivery by the Underwriters of the Securities in accordance with the terms of this Agreement and in the manner contemplated by the Pricing Prospectus and the Registration Statement;

(u) The statements set forth in the Pricing Prospectus and the Registration Statement under the caption "Certain Terms of the Notes" and "Description of the Notes of BBVA" *[the following will be added, if applicable]* [(to the extent not superseded by the statements set forth under the caption "[Certain Terms of the Notes]" in the Prospectus Supplement)], taken together, insofar as they purport to constitute a summary of the terms of the Securities, and under the captions "Spanish Tax Considerations" and "U.S. Tax Considerations", insofar as they purport to describe the provisions of the laws referred to therein, in each case when read together with any Final Term Sheet and any other Issuer Free Writing Prospectuses listed in an appendix to the applicable Pricing Agreement, are accurate and complete in all material respects;

(v) None of the Company, any of its Significant Subsidiaries, nor, to the knowledge of the Company, any director, officer or employee of the Company or any of its Significant Subsidiaries, is aware of or has taken any action, directly or indirectly, that could reasonably lead to an action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its Significant Subsidiaries in connection with a violation by any such person of any anti-corruption or anti-bribery laws or regulations of any applicable jurisdiction including the UK Bribery Act 2010 and the U.S. Foreign Corrupt Practices Act, as amended, and the rules and regulations thereunder (the "Anti-Corruption Laws") which would result in a fine or other sanction which could be material for the Company or the Company and its Significant Subsidiaries, and the Company, each of the Significant Subsidiaries and, to the knowledge of the Company,

their respective affiliates have conducted their businesses in compliance in all material respects with the Anti-Corruption Laws and have instituted and maintain policies and procedures designed to ensure continued compliance therewith in all material respects;

(w) The Company and each of its Significant Subsidiaries maintain a system of controls and procedures reasonably designed to ensure that the operations of the Company and each of its Significant Subsidiaries are conducted, where applicable, in compliance in all material respects with applicable financial recordkeeping and reporting requirements of the European Union, the Kingdom of Spain, the United States and each State thereof and the United Mexican States, and applicable money laundering statutes and the rules and regulations thereunder (collectively, the "Money Laundering Laws"), and no material action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its Significant Subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened;

(x) None of the Company, or any of its Significant Subsidiaries is currently the subject of sanctions in a material amount administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC") or any similar sanctions administered by the European Union, the Kingdom of Spain or the United Mexican States; and the Company will not directly or indirectly use the transaction proceeds so as to contravene any OFAC or any similar European, Spanish or Mexican regulations that may be applicable to them;

(y) The Company and its subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and the Company's and its subsidiaries' internal controls over financial reporting are effective and neither the Company nor any of its subsidiaries is aware of any material weakness in its or their internal controls over financial reporting;

(z) The Company and its subsidiaries maintain "disclosure controls and procedures" (as such term is defined in Rule 13a-15(e) under the Exchange Act);

(aa) Except as set forth in the Pricing Disclosure Package and the Prospectus (in each case, exclusive of any amendment or supplement thereto), no litigation, prosecution, investigation, arbitration or administrative proceeding involving the Company, any of the Company's subsidiaries or any of its properties is pending, or, to the knowledge of the Company, threatened, except to the extent that any such litigation, prosecution, investigation, arbitration or proceeding, if resolved unfavorably to the Company, any of the Company's subsidiaries or any of its respective properties, would not, individually or in the aggregate, have a Material Adverse Effect;

(bb) Except as set forth in the Pricing Disclosure Package, there have been no material changes to the Company's consolidated capitalization and indebtedness since [●]; and

(cc) *[the auditor]*, who have certified certain financial statements of the Company, are independent public accountants in respect of the Company as required by the Act and the applicable rules and regulations of the Commission.

3. Upon the execution of the applicable Pricing Agreement and authorization by the Representatives of the release of the Securities, the several Underwriters propose to offer such Securities for sale upon the terms and conditions set forth in the Prospectus as amended or supplemented.

4. Securities to be purchased by each Underwriter pursuant to the applicable Pricing Agreement, in the form specified in such Pricing Agreement, and in such authorized denominations and registered in such names as the Representatives may request upon at least forty-eight hours' prior notice to the Company, shall be delivered by or on behalf of the Company to the Representatives for the account of such Underwriter, against payment by such Underwriter or on its behalf of the purchase price therefor by wire transfer of Federal (same day) funds to the account specified by the Company in the currency specified in such Pricing Agreement, all in the manner and at the place and time and date specified in such Pricing Agreement or at such other place and time and date as the Representatives and the Company may agree upon in writing, such time and date being herein called the "Time of Delivery" for such Securities.

5. The Company covenants and agrees with each of the Underwriters:

(a) To prepare the Final Term Sheet in a form approved by the Representatives and to file such Final Term Sheet pursuant to Rule 433(d) under the Act within the time required by such Rule, and to prepare the Prospectus as amended or supplemented in relation to the applicable Securities in a form approved by the Representatives, which approvals shall not be unreasonably withheld, and to file such Prospectus pursuant to Rule 424(b) under the Act no later than the Commission's close of business on the second business day following the execution and delivery of the applicable Pricing Agreement or, if applicable, such earlier time as may be required by such Rule, and to take such steps as they deem necessary to ascertain promptly whether the Prospectus transmitted for filing under Rule 424(b) was received for filing by the Commission and, in the event that it was not, to promptly file such Prospectus; to make no further amendment or any supplement to the Registration Statement or Prospectus as amended or supplemented after the date of the applicable Pricing Agreement and prior to the Time of Delivery for the Securities which shall be reasonably disapproved by the Representatives for such Securities promptly after reasonable notice thereof; to advise the Representatives promptly of any such amendment or supplement after such Time of Delivery and furnish the Representatives with copies thereof; to file promptly all reports required to be filed by Company with the Commission pursuant to Section 13(a), 13(c) or 15(d) of the Exchange Act for so long as the delivery of a prospectus (or, in lieu thereof, the notice referred to in Rule 173(a) under the Act) is required in connection with the offering or sale of such Securities, and during such same period to advise the Representatives, promptly after it receives notice thereof, (i) of the receipt of any comments from the Commission in respect of the Registration Statement or any prospectus relating to the

Securities, (ii) of the time when any amendment to the Registration Statement has been filed or becomes effective or any supplement to the Prospectus or any amended Prospectus has been filed with the Commission, (iii) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or of any examination pursuant to Section 8(e) of the Act concerning the Registration Statement or of any order preventing or suspending the use of any prospectus relating to the Securities, (iv) of the suspension of the qualification of the Securities for offering or sale in any jurisdiction, (v) of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement, the Prospectus or any document incorporated by reference therein or for additional information with respect thereto and of receipt (whether written or oral) by it (or by any of its officers or attorneys) of any comments or other communication from the Commission relating to the Registration Statement, the Pricing Disclosure Package (and, notwithstanding any other provision of this Agreement, if any such request or communication is in writing, the Company shall promptly furnish the Underwriters with a copy thereof) or any document incorporated by reference therein, and, in the event of the issuance of any such stop order or of any such order preventing or suspending the use of any prospectus relating to the Securities or suspending any such qualification, to promptly use its best efforts to obtain the withdrawal of such order, (vi) of the occurrence of any event that could reasonably be expected to cause the Company to withdraw, rescind or terminate the offering of the Securities or would permit the Company to exercise any right not to issue the Securities other than as set forth in the Pricing Disclosure Package, (vii) of the occurrence of any event, or the discovery of any fact, the occurrence or existence of which would require the making of any change in any of the Pricing Disclosure Package then being used or would cause any representation or warranty contained in this Agreement to be untrue or inaccurate in any material respect or (viii) of any proposal or requirement to make, amend or supplement any of the Pricing Disclosure Package or of any other material information relating to the offering of the Securities or this Agreement that any Underwriter may from time to time reasonably request;

(b) Promptly from time to time to take such action as the Representatives may reasonably request, after consultation with the Company, to qualify such Securities for offering and sale under the securities laws of such jurisdictions as the Representatives may reasonably request and as are specified in the applicable Pricing Agreement and to maintain such qualification in effect for not less than one year from the date of the applicable Pricing Agreement; provided, however, that additional such jurisdictions may be reasonably requested by the Representatives, with the prior consent of the Company, subsequent to the date thereof; and provided further that in connection therewith the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction;

(c) To furnish the Underwriters with copies of the Prospectus, as amended or supplemented, in such quantities as the Representatives may reasonably request, and, if the delivery of a prospectus (or in lieu thereof, the notice referred to in Rule 173 (a) under the Act) is required under the Act at any time in connection with the offering or sale of the Securities and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include any untrue statement of any material fact or omit to state any material fact necessary in

order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or the Registration Statement or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Act or the Exchange Act, to notify the Representatives and upon their request to file such document and to prepare and furnish, without charge, to each Underwriter and to any dealer in securities as many copies as the Representatives may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance;

(d) During the period beginning from the date of the applicable Pricing Agreement and continuing to and including the later of (i) the completion of the sale of the Securities by the Underwriters (as determined by the Representatives), but not more than 30 calendar days following the Time of Delivery, and (ii) the Time of Delivery for such Securities, not to offer, sell, contract to sell or otherwise dispose of, in the jurisdiction[s] specified in the applicable Pricing Agreement, any U.S. dollar-denominated debt securities issued by the Company which mature more than one year after such Time of Delivery and which are substantially similar to such Securities, without the prior written consent of the Representatives;

(e) To timely file or submit such reports pursuant to the Exchange Act as are necessary in order to make generally available to its securityholders an earnings statement complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder, covering a period of twelve months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act) as soon as is reasonably practicable after the termination of such twelve-month period; *provided however,* that the Company will be deemed to have satisfied this obligation by filing with, or submitting to, the Commission a consolidated earnings statement complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder for the year ended December 31, [●] as soon as is reasonably practicable after the termination of such twelve-month period;

(f) *[The following will be added, if applicable]* [To file the public deed in respect of the Securities for registration with the Vizcaya Mercantile Registry within a month since the date it is granted and to use its commercially reasonable best efforts to ensure that such public deed is registered with the Vizcaya Mercantile Registry;]

(g) To use its best efforts to effect, promptly following the Time of Delivery, the authorization of the Securities for listing on the New York Stock Exchange, Inc., or any other stock exchange on which the Prospectus specifies that the Securities may be listed, subject only to official notice of issuance, and to permit the Securities to be eligible, at the Time of Delivery, for clearance and settlement through the facilities of the Depository Trust Corporation ("DTC"), or any other clearance and settlement entity through which the Prospectus specifies that clearance and settlement of the Securities may be made;

(h) Without the prior written consent of the Representatives, none of the Company, its affiliates or any person acting on its or their behalf has given or will give to any prospective purchaser of the Securities any written information concerning the offering of the Securities other than materials contained in the Pricing Disclosure Package, the Prospectus or any other offering materials distributed with the prior written consent of the Representatives;

(i) The Company will comply with Section [10.04] of the Base Indenture *[the following will be added, if applicable]* [(as amended and supplemented by the [●] Supplemental Indenture)] with respect to the Securities; and

(j) If the Company maintains a paying agent in respect of the Securities in a European Union member state, it will ensure that it maintains a paying agent in a European Union member state that will not be obliged to withhold or deduct tax pursuant to the European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meeting of 26/27 November 2000 (each, a "Directive") or any law implementing or complying with, or introduced in order to conform to, such Directive.

6. (a) The Company represents and agrees that (i) without the prior written consent of the Underwriters, other than the Issuer Free Writing Prospectuses listed in an appendix to the applicable Pricing Agreement, it has not made and will not make any offer relating to the Securities that (A) would constitute an Issuer Free Writing Prospectus or (B) would otherwise constitute a "free writing prospectus", as defined in Rule 405 under the Act, required to be filed with the Commission or retained by the Company pursuant to Rule 433 under the Act, (ii) it has complied and will comply with the requirements of Rules 164 and 433 under the Act applicable to any Issuer Free Writing Prospectus, including timely filing with the Commission or retention where required and legending and (iii) it will treat any such free writing prospectus consented to by the Underwriters as an Issuer Free Writing Prospectus.

(b) Each Underwriter represents and agrees that, without the prior written consent of the Company and the other Underwriters, it has not made and will not make any offer relating to the Securities that (i) would constitute an Issuer Free Writing Prospectus, or (ii) would otherwise constitute a "free writing prospectus", as defined in Rule 405 under the Act, required to be filed with the Commission or retained by the Company pursuant to Rule 433 under the Act; provided, however, that the Company consents to the use by each Underwriter of a "free writing prospectus" not required to be filed with the Commission or retained by the Company pursuant to Rule 433 under the Act that contains only (A) information describing the preliminary terms of the Securities or their offering which will not be inconsistent with the Final Term Sheet or the other Issuer Free Writing Prospectuses listed in an appendix to the applicable Pricing Agreement, (B) information that describes the final terms of the Securities or their offering and that is included in the Final Term Sheet or any other Issuer Free Writing Prospectuses listed in an appendix to the applicable Pricing Agreement and (C) information that is in any electronic road show related to the Securities and approved in writing as such by the Company.

(c) Any such "free writing prospectus", as defined in Rule 405 under the Act, the use of which has been consented to by the Company and the Underwriters (including the Final Term Sheet) will be listed in an appendix to the applicable Pricing Agreement.

7. The Company covenants and agrees with the several Underwriters that the Company will pay or cause to be paid all those costs, expenses and disbursements relating or incident to the offering, purchase, sale and delivery of Securities as are set forth in the applicable Pricing Agreement.

8. The obligations of the Underwriters of any Securities under the applicable Pricing Agreement shall be subject, in the discretion of the Representatives, to the condition, to be met by the Time of Delivery, that all representations and warranties of the Company in or incorporated by reference in the applicable Pricing Agreement are, at and as of the Time of Delivery for such Securities, true and correct, the condition that the Company shall have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Final Term Sheet, together with any other Issuer Free Writing Prospectuses listed in an appendix to the applicable Pricing Agreement and any other "free writing prospectus", as defined in Rule 405 under the Act, that the parties hereto shall hereafter expressly agree in writing to treat as part of the Pricing Disclosure Package shall have been filed with the Commission within the applicable time period prescribed for such filing by Rule 433(d) under the Act and the Prospectus as amended or supplemented in relation to such Securities shall have been filed with the Commission pursuant to Rule 424(b) under the Act within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 5(a) hereof; no stop order suspending the effectiveness of the Registration Statement or any part thereof or suspending the use of the Prospectus or any Issuer Free Writing Prospectus, shall have been issued and no proceeding for that purpose shall have been initiated or, to the knowledge of the Company, threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with;

(b) U.S. counsel and, if specified in the applicable Pricing Agreement, Spanish counsel for the Underwriters shall each have furnished to the Representatives such written opinion or opinions, dated the Time of Delivery for such Securities, with respect to the Pricing Agreement (including the provisions of this Agreement), the Securities, the Pricing Disclosure Package, the Prospectus and the Registration Statement (as amended or supplemented at the Time of Delivery for such Securities) and other related matters not exceeding the scope of those covered in the opinions given pursuant to Sections 8(c) and 8(d), respectively, below as the Underwriters may reasonably require, and the Company shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass on such matters;

(c) U.S. counsel for the Company shall have furnished to the Representatives its written opinion, dated the Time of Delivery for such Securities, reasonably satisfactory to the Underwriters and substantially similar in form and substance to Schedule 8(c) attached hereto;

(d) Spanish counsel for the Company shall have furnished to the Representatives their written opinion, dated the Time of Delivery for such Securities, reasonably satisfactory to the Underwriters and substantially similar in form and substance to Schedule 8(d) attached hereto;

(e) At the Applicable Time and at the Time of Delivery for the Securities, each firm of independent accountants that has certified financial statements of the Company included or incorporated by reference in the Registration Statement shall

have furnished to the Underwriters and the directors of the Company a letter or letters, dated each such date, in form and substance satisfactory to the Representatives, together with signed or reproduced copies of such letter for each of the other Underwriters, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement and the Prospectus and substantially similar in form and substance to Schedule 8(e) attached hereto;

(f) Except as contemplated in the Prospectus, as amended or supplemented, since the Applicable Time there shall not have occurred (i) any change or decrease specified in the letter or letters referred to in Section 8(e) or (ii) any change, or any development involving a prospective change, in or affecting the financial condition, earnings, business, operations, prospects or properties of the Company and the Company's subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, that, in any case referred to in paragraphs (i) or (ii) above, the Representatives conclude, in their judgment, impairs the investment quality of the Securities so as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Securities as contemplated by the Prospectus, and from the Applicable Time to the Time of Delivery (as specified in the Pricing Agreement), no rating of the Company's long-term senior debt shall have been lowered by Moody's, S&P or Fitch, and other than public announcements made prior to the Applicable Time, none of Moody's, S&P or Fitch shall have publicly announced that it has under surveillance or review with possible negative implications any rating of the Company's long-term senior debt;

(g) At or after the Applicable Time there shall not have occurred any of the following: (i) a suspension or material limitation in trading in any securities of the Company by the Spanish *Comisión Nacional del Mercado de Valores*, the Commission, any Spanish Stock Exchange (which term shall include the Madrid, Barcelona, Valencia and Bilbao Stock Exchanges), the New York Stock Exchange, Inc. or the London Stock Exchange; (ii) a suspension or material limitation of trading in securities generally on any Spanish Stock Exchange, the New York Stock Exchange, Inc., the London Stock Exchange or in the over-the-counter market, or any setting of minimum or maximum prices for trading on such exchange; (iii) a banking moratorium declared by any U.S. federal, New York, United Kingdom or Spanish authorities or a material disruption in clearance or settlement systems in the United States, the United Kingdom or the Kingdom of Spain; (iv) a change or development involving a prospective change in taxation in Spain affecting the Securities or the imposition of exchange controls by the United States or Spain; (v) a material outbreak or escalation of hostilities involving the United States or Spain or the declaration by the United States or Spain of a national emergency or war or (vi) the occurrence of any material adverse change in the existing financial, political or economic conditions in the United States or Spain, where the effect of any such event specified in paragraphs (i) through (vi) above is in the judgment of the Representatives, after consultation with the Company, so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Securities on the terms and in the manner contemplated in the Prospectus as amended or supplemented relating to the Securities;

(h) The Company shall have complied with the provisions of Section 5(c) hereof with respect to the furnishing of prospectuses on the Business Day next succeeding the date of the applicable Pricing Agreement;

(i) At the Time of Delivery, the Securities shall have been approved for clearance and settlement through the facilities of DTC, or any other clearance and settlement entity through which the Prospectus specifies that clearance and settlement of the Securities may be made;

(j) The Company shall have furnished or caused to be furnished to the Representatives at the Time of Delivery for the Securities a certificate or certificates of an officer of the Company substantially similar in form and substance to Schedule 8(j) attached hereto, as to the accuracy of the representations and warranties of the Company herein at and as of such Time of Delivery, as to the performance of the Company of all of its obligations hereunder to be performed at or prior to such Time of Delivery and as to the matters set forth in subsections (a) and (f) of this Section; and

(k) If any condition specified in this Section 8 shall not have been fulfilled when and as required to be fulfilled, this Agreement may be terminated by the Representatives by notice to the Company at any time at or prior to the Time of Delivery, and such termination shall be without liability of any party to any other party except that Sections 7, 9, 11, 14, 15, 16, 17, 19 and 22 hereof and any related provisions of the applicable Pricing Agreement shall survive any such termination and remain in full force and effect.

9. (a) The Company agrees to indemnify and hold harmless each Underwriter, its directors, officers and employees, and each person, if any, who controls any Underwriter within the meaning of the Act or the Exchange Act against any losses, claims, damages or liabilities or expenses, joint or several, as incurred to which such Underwriter, director, officer, employee or controlling person may become subject, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any preliminary prospectus, any preliminary prospectus supplement, the Registration Statement or the Prospectus, as amended or supplemented, the Pricing Prospectus, the Pricing Disclosure Package, any Issuer Free Writing Prospectus, any “issuer information” filed or required to be filed pursuant to Rule 433(d) under the Act or any road show materials, in each case, relating to the Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter and each such director, officer, employee or controlling person for any and all expenses (including the fees and disbursements of counsel chosen by such Underwriter) as such expenses are incurred by such Underwriter in connection with investigating, defending, settling, compromising or paying any such loss, claim, damage, liability, expense or action; *provided*, *however*, that the foregoing indemnity agreement shall not apply to any loss, claim, damage or liability to the extent, but only to the extent, arising out of or based upon any untrue statement or alleged untrue statement or omission or alleged omission made in any preliminary prospectus, any preliminary prospectus supplement, the Registration Statement or the Prospectus, as amended or

supplemented, the Pricing Prospectus, the Pricing Disclosure Package, any Issuer Free Writing Prospectus or any road show materials, in each case, relating to the Securities, or any such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by any Underwriter of Securities through the Representatives expressly for use therein, it being understood and agreed that the only such information furnished by or on behalf of any Underwriter consists of the Underwriter Information.

(b) Each Underwriter severally but not jointly agrees to indemnify and hold harmless the Company and its directors, officers and employees, and each person, if any, who controls the Company within the meaning of the Act or the Exchange Act, against any loss, claim, damage, liability or expense, as incurred, to which each such person may become subject under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any preliminary prospectus, any preliminary prospectus supplement, the Registration Statement or the Prospectus, as amended or supplemented, the Pricing Prospectus, the Pricing Disclosure Package or any Issuer Free Writing Prospectus, in each case, relating to the Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, arising out of or based upon any untrue statement or alleged untrue statement or omission or alleged omission made in any preliminary prospectus, any preliminary prospectus supplement, the Registration Statement or the Prospectus, as amended or supplemented, the Pricing Prospectus, the Pricing Disclosure Package, or any Issuer Free Writing Prospectus, in each case, relating to the Securities, or any such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by any Underwriter of Securities through the Representatives expressly for use therein, it being understood and agreed that the only such information furnished by or on behalf of any Underwriter consists of the Underwriter Information; and will reimburse the Company for any legal or other expenses incurred by the Company in connection with investigating, defending, settling, compromising or paying any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall, so far as permitted by any insurance policy of the indemnified party and subject to the indemnifying party agreeing to indemnify the indemnified party against all judgments and other liabilities resulting from such action, be entitled to participate therein and, to the extent that it may elect, jointly with all other indemnifying parties similarly notified, by written notice delivered to the indemnified party promptly after receiving the aforesaid notice from such indemnified

party, to assume the defense thereof, with counsel satisfactory to such indemnified party; provided that, if the defendants in any such action include both the indemnified party and the indemnifying party, and the indemnified party shall have reasonably concluded that a conflict may arise between the positions of the indemnifying party and the indemnified party in conducting the defense of any such action or that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party, the indemnified party or parties shall have the right to select separate counsel, to assert such legal defenses and to otherwise participate in the defense of such action on behalf of such indemnified party or parties. Upon receipt of notice from the indemnifying party to such indemnified party of such indemnified party's election so to assume the defense of such action and approval by the indemnified party of counsel, the indemnifying party shall not be liable to such indemnified party under this Section 9 for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof unless (i) the indemnified party shall have employed separate counsel in connection with the assertion of legal defenses in accordance with the proviso to the next preceding sentence (it being understood, however, that the indemnifying party shall not be liable for the expenses of more than one separate counsel (together with local counsel), approved by the representatives representing the indemnified parties who are parties to such action), (ii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of commencement of the action or (iii) the indemnifying party has authorized the employment of counsel for the indemnified party at the expense of the indemnifying party; and except that, if clause (i) or (iii) is applicable, such liability shall be only in respect of the counsel referred to in such clause (i) or (iii). An indemnifying party will not, without the prior written consent of each indemnified party, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested that an indemnifying party reimburse the indemnified party for fees and expenses of counsel as contemplated by this Section, the indemnifying party shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by the indemnifying party of such request and (ii) the indemnifying party shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement.

(d) If the indemnification provided for in this Section 9 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) or expenses referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand

and the Underwriters of the Securities on the other from the offering of the Securities to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriters of the Securities on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof) or expenses, as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and such Underwriters on the other shall be deemed to be in the same respective proportions as the total net proceeds from such offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by such Underwriters, in each case as set forth on the cover page of the Prospectus, as amended or supplemented. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or such Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by *pro rata* allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the applicable Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of the Underwriters of Securities in this subsection (d) to contribute are several in proportion to their respective underwriting obligations with respect to such Securities and not joint.

(e) The obligations of the Company under this Section 9 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each officer, director or employee of each Underwriter and to each person, if any, who controls, is controlled by or is under common control with any Underwriter within the meaning of the Act or the Exchange Act; and the several obligations of the Underwriters under this Section 9 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer, director or employee of the Company and to each person, if any, who controls the Company within the meaning of the Act or the Exchange Act.

10. (a) If any Underwriter shall default in its obligation to purchase the Securities which it has agreed to purchase under the applicable Pricing Agreement, the Representatives may in their discretion, after giving notice to and consulting with the Company, arrange for themselves or another party or other parties to purchase such Securities on the terms contained herein. If within thirty-six hours after such default by any Underwriter the Representatives do not arrange for the purchase of such Securities, then the Company shall be entitled to a further period of thirty-six hours within which to procure another party or other parties to purchase such Securities on such terms. In the event that, within the respective prescribed period, the Representatives notify the Company that they have so arranged for the purchase of such Securities, or the Company notifies the Representatives that it has so arranged for the purchase of such Securities, the Representatives or the Company shall have the right to postpone the Time of Delivery for such Securities for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus as amended or supplemented, or in any other documents or arrangements, and the Company agrees to file promptly any amendments or supplements to the Registration Statement or the Prospectus which in the opinion of the Representatives may thereby be made necessary. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section 10 with like effect as if such person had originally been a party to the applicable Pricing Agreement.

(b) If, after giving effect to any arrangements for the purchase of the Securities of a defaulting Underwriter or Underwriters by the Representatives or the Company as provided in subsection (a) above, the aggregate principal amount of such Securities which remains unpurchased does not exceed one-eleventh of the aggregate principal amount of the Securities, then the Company shall have the right to require each non-defaulting Underwriter to purchase the principal amount of Securities which such Underwriter agreed to purchase under the applicable Pricing Agreement and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the principal amount of Securities which such Underwriter agreed to purchase under such Pricing Agreement) of the Securities of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Securities of a defaulting Underwriter or Underwriters by the Representatives or the Company as provided in subsection (a) above, the aggregate principal amount of Securities which remains unpurchased exceeds one-eleventh of the aggregate principal amount of the Securities, as referred to in subsection (b) above, or if the Company shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Securities of a defaulting Underwriter or Underwriters, then the applicable Pricing Agreement shall thereupon terminate, without liability on the part of any non-defaulting Underwriter or the Company, except for the expenses to be borne by the Company on the one hand and the Underwriters on the other hand, as provided in Section 7 hereof and the indemnity and contribution agreements in Section 9 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

11. The respective indemnities, agreements, representations, warranties and other statements of the Company and the several Underwriters, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or any controlling person of any Underwriter, the Company or any officer or director or controlling person of the Underwriters or the Company, and shall survive delivery of and payment for the Securities sold hereunder and any termination of this Agreement.

12. If any Pricing Agreement shall be terminated pursuant to Section 10 hereof, the Company shall not then be under any liability to any Underwriter with respect to the Securities covered by such Pricing Agreement except that Sections 7, 9, 11, 14, 15, 16, 17, 19 and 22 hereof and any related provisions of the applicable Pricing Agreement shall survive any such termination and remain in full force and effect.

13. In all dealings hereunder, the Representatives of the Underwriters of Securities shall act on behalf of each such Underwriter, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by such Representatives jointly or by such of the Representatives, if any, as may be designated for such purpose in the applicable Pricing Agreement.

All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to the address of the Representatives as set forth in the applicable Pricing Agreement; and, if to the Company, shall be delivered or sent by mail or electronic transmission to BBVA, Calle Azul 4, 28050 Madrid, Spain, Attention: Financial Department; finance.department@bbva.com; provided, however, that any notice to an Underwriter pursuant to Section 9(c) hereof shall be delivered or sent by mail, telex or facsimile transmission to such Underwriter at its address set forth in [its Underwriters' questionnaire, or telex constituting such questionnaire], which address will be supplied to the Company by the Representatives upon request. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

14. This Agreement and each Pricing Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Company and, to the extent provided in Sections 9 and 11 hereof, the officers and directors of the Company and each person who controls the Company or any Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement or any such Pricing Agreement. No purchaser of any Securities from any Underwriter shall be deemed a successor or assign by reason merely of such purchase.

15. The Company waives to the fullest extent permitted by applicable law any claims it may have against the Underwriters arising from an alleged breach of agency, fiduciary or similar duty to the Company in connection with the offering of the Securities or the process leading thereto and acknowledges and agrees that each Underwriter is acting solely in the capacity of an arm's length contractual counterparty to the Company with respect to the offering of the Securities (including in connection with determining the terms of the offering contemplated by this Agreement) and not as an agent or fiduciary to the

Company or any other person. Additionally, each Underwriter is not advising the Company or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of such matters, and no Underwriter shall have any responsibility or liability to the Company or any other person with respect to such matters. Any review by an Underwriter of the Company, the transactions contemplated by this Agreement or any other due diligence review by such Underwriter in connection with such transactions will be performed solely for the benefit of such Underwriter and shall not be on behalf of the Company or any other person. This Agreement supersedes all prior agreements and understandings (whether written or oral) between the Company and the Underwriters, or any of them, with respect to the subject matter hereof.

16. The Company irrevocably agrees that any suit, action or proceeding against the Company brought by Underwriters or by any person who controls the Underwriters, arising out of or based upon this Agreement, the Pricing Agreement or the transactions contemplated hereby may be instituted in any state or federal court in the Borough of Manhattan, The City of New York, New York, and, to the extent permitted by law, irrevocably waives any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding, and irrevocably submits to the nonexclusive jurisdiction of such courts in any such suit, action or proceeding. The Company irrevocably appoints Banco Bilbao Vizcaya Argentaria, S.A., New York Branch, as its Authorized Agent (the "Authorized Agent") upon whom process may be served in any such suit, action or proceeding arising out of or based on this Agreement, the Pricing Agreement or the transactions contemplated hereby or thereby which may be instituted in any state or federal court in the Borough of Manhattan, The City of New York, New York, by an Underwriter or by any person who controls an Underwriter, and the Company expressly consents to the jurisdiction of any such court in respect of any such suit, action or proceeding, and waives any other requirements of or objections to personal jurisdiction with respect thereto. The Company represents and warrants that the Authorized Agent has agreed to act as said agent for service of process, and the Company agrees to take any and all action, including the filing of any and all documents and instruments, that may be necessary to continue such appointment in full force and effect as aforesaid. Service of process upon the Authorized Agent and written notice of such service to the Company shall be deemed, in every respect, effective service of process upon the Company. Notwithstanding the foregoing, any suit, action or proceeding based on this Agreement may be instituted by the Underwriters in any competent court in the Kingdom of Spain.

17. In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

18. In respect of any judgment or order given or made for any amount due hereunder that is expressed and paid in a currency (the "judgment currency") other than United States dollars, the Company will indemnify each Underwriter against any loss incurred by such Underwriter as a result of any variation as between (i) the rate of exchange at which the United States dollar amount is converted into the judgment currency for the purpose of such judgment or order and (ii) the rate of exchange at which an Underwriter is

able to purchase United States dollars with the amount of judgment currency actually received by such Underwriter. The foregoing indemnity shall constitute a separate and independent obligation of the Company and shall continue in full force and effect notwithstanding any such judgment or order as aforesaid. The term "rate of exchange" shall include any premiums and costs of exchange payable in connection with the purchase of or conversion into United States dollars.

19. Time shall be of the essence of each Pricing Agreement. As used herein, "business day" shall mean any day when the Commission's office in Washington, D.C. is open for business.

20. The invalidity or unenforceability of any section, paragraph or provision of this Agreement shall not affect the validity or enforceability of any other section, paragraph or provision hereof.

21. **Except as may be otherwise provided in a Pricing Agreement, this Agreement and each Pricing Agreement shall be governed by and construed in accordance with the laws of the State of New York.**

22. Notwithstanding and to the exclusion of any other term of this Agreement, any Pricing Agreement or any other agreements, arrangements, or understandings between the Company and any or all of the Underwriters, each Underwriter acknowledges and accepts that a BRRD Liability arising under this Agreement may be subject to the exercise of Bail-in Powers by the Relevant Spanish Resolution Authority and acknowledges, accepts, and agrees to be bound by:

(a) the effect of the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority in relation to any BRRD Liability of the Company to such Underwriter, which (without limitation) may include and result in any of the following, or some combination thereof:

(i) the reduction of all, or a portion, of such BRRD Liability or outstanding amounts due thereon;

(ii) the conversion of all, or a portion, of such BRRD Liability into shares, other securities or other obligations of the Company or another person, and the issue to or conferral on such Underwriter of such shares, securities or obligations;

(iii) the cancellation of such BRRD Liability; and/or

(iv) the amendment or alteration of any interest, if applicable, on such BRRD Liability, and the maturity or the dates on which any payments on such BRRD Liability are due, including by suspending payment for a temporary period; and

(b) the variation of the terms of this Agreement and/or the relevant Pricing Agreement, as deemed necessary by the Relevant Spanish Resolution Authority, to give effect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority.

ANNEX I

Pricing Agreement

[Date]

[Name(s) of Representative(s)]
[Address]

As Representative[s] of the several
Underwriters named in Schedule I hereto,

Ladies and Gentlemen:

Banco Bilbao Vizcaya Argentaria, S.A., a *sociedad anónima* incorporated under the laws of the Kingdom of Spain (the "Company"), proposes, subject to the terms and conditions stated herein and in the Underwriting Agreement, a copy of which is attached hereto (the "Underwriting Agreement"), to issue and sell to the Underwriters named in Schedule I hereto (the "Underwriters") the securities specified in Schedule II hereto (the "Securities").

Each of the provisions of the Underwriting Agreement is incorporated herein by reference in its entirety, and shall be deemed to be a part of this Agreement to the same extent as if such provisions had been set forth in full herein; and each of the representations and warranties set forth therein shall be deemed to have been made at and as of the Applicable Time (as set forth in Schedule II attached hereto), except that each representation and warranty which refers to the Prospectus in Section 2 of the Underwriting Agreement shall be deemed to be a representation or warranty as of the date of the Prospectus (as defined in the Underwriting Agreement), and also a representation and warranty as of the Applicable Time in relation to the Prospectus as amended or supplemented relating to the Securities which are the subject of this Pricing Agreement. Each reference to the Representatives or to the Underwriters in the provisions of the Underwriting Agreement so incorporated by reference shall be deemed to refer to you. Unless otherwise defined herein, terms defined in the Underwriting Agreement are used herein as therein defined. The Representatives designated to act on behalf of each of the Underwriters pursuant to Section 13 of the Underwriting Agreement and their addresses are set forth in Schedule II hereto.

A supplement to the Prospectus relating to the Securities, in the form heretofore delivered to you (the "Prospectus Supplement"), is now proposed to be filed with the Commission.

Subject to the terms and conditions set forth herein and in the Underwriting Agreement incorporated herein by reference, the Company agrees that it will issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at the time and place and at the purchase price to the Underwriters set forth in Schedule II hereto, the principal amount of Securities set forth opposite the name of each such Underwriter in Schedule I hereto.

If the foregoing is in accordance with your understanding, please sign and return to us *[insert relevant number of counterparts]* counterparts hereof, and upon acceptance hereof by you this letter and such acceptance hereof, including the provisions of the Underwriting Agreement incorporated herein by reference, shall constitute a binding agreement between the several Underwriters on the one hand and the Company on the other.

It is understood that your acceptance of this letter on behalf of each of the Underwriters is or will be pursuant to the authority set forth in an Agreement among Underwriters.

Very truly yours,

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

By: _____
Name:
Title:

Accepted as of the date hereof:

[Insert name(s) of Representative(s)]

By: _____
Name:
Title:

[On behalf of each of the Underwriters]

SCHEDULE I

Underwriter	Principal Amount of Securities to be Purchased
[Insert name(s) of Representative(s)]	
[Insert names of other Underwriters, if any]	
Total	

SCHEDULE II

Issuer:

Banco Bilbao Vizcaya Argentaria, S.A.

Title[s] of Securities:

[ ]

Specific Terms of Securities:

See Appendix A for a copy of the Final Term Sheet relating to the Securities.

Price to Public:

[ ]% [plus accrued interest, if any, from].

Purchase Price by Underwriters:

[ ]

Principal Amount:

[ ]

Minimum Initial Purchase Amount:

[ ]

Denominations:

[ ]

Specified Funds for Payment of Purchase Price:

[Federal (same-day) funds].

Applicable Time:

[ ]

Time of Delivery:

[ ]

Closing Location for Delivery of Securities:

[New York, New York].

Additional Closing Conditions:

[ ]

Additional Opinions:

[ ]

Names and Addresses of Underwriters, Including the Representatives:

[ ]

Listing:

[ ]

Payment of Expenses by Company and by the Underwriters:

[ ]

Selling Restrictions:

[Specify applicable additional selling restrictions, if any.]

Other Terms:

"Underwriter Information" shall mean the statements set forth in [(i) the last paragraph of the cover page regarding delivery of the Securities, (ii) the names of the Underwriters, (iii) the sentences under the heading "Underwriting" related to concessions and reallowances, (iv) the paragraph under the heading "Underwriting" related to stabilization, syndicate covering transactions and penalty bids and (v) the paragraph under the heading "Underwriting" related to settlement], in the Pricing Prospectus and the Prospectus.

Jurisdictions Specified Pursuant to Section 5(b) of the Underwriting Agreement: [None] *[Specify]*.

Jurisdictions Specified Pursuant to Section 5(d) of the Underwriting Agreement: [United States] *[Other Jurisdictions]*.

[The information that is in an electronic road show related to the Securities[, a copy of which is attached hereto,] is hereby approved pursuant to Section 6(b)(C) of the Underwriting Agreement.]

[Spanish counsel for the Underwriters shall furnish to the Representatives such written opinion or opinions as are specified in Section 8(b) of the Underwriting Agreement.]

Appendix A

[Insert final term sheet relating to the Securities.]

Appendix B

Issuer Free Writing Prospectus(es):

Final Term Sheet dated [ ]

Schedule 8(c)

Form of Opinion of U.S. Counsel
in connection with Section 8(c) of the Underwriting Agreement

[Insert form of opinion of Davis Polk & Wardwell LLP]

Schedule 8(d)

Form of Opinion of Spanish Counsel
in connection with Section 8(d) of the Underwriting Agreement

[Insert form of opinion of J&A Garrigues, SLP]

Schedule 8(e)

Form of Auditors' Comfort Letter
in connection with Section 8(e) of the Underwriting Agreement

[Insert form of comfort letter]

Schedule 8(j)

Form of Certificate
in connection with Section 8(j) of the Underwriting Agreement

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.
OFFICER'S CERTIFICATE PURSUANT TO SECTION 8(j)
OF THE UNDERWRITING AGREEMENT

[Date]

The undersigned, [ ], does hereby certify, pursuant to Section 8(j) of the underwriting agreement dated [ ], 20[ ] (the "Underwriting Agreement") incorporated by reference in the Pricing Agreement dated [ ], 20[ ] (the "Pricing Agreement"), between Banco Bilbao Vizcaya Argentaria, S.A., a *sociedad anónima* incorporated under the laws of the Kingdom of Spain (the "Company"), on the one hand, and the Underwriters named therein (the "Underwriters"), on the other hand, on behalf of the Company and to the best of [his] [her] knowledge, after reasonable investigation, that:

(i) attached hereto as **Exhibit A** is a true, complete and correct copy of the By-laws (*Estatutos*) of the Company as in full force and effect at all times since [●], to and including the date hereof; the Company is as of this date in good standing under Spanish law; no amendment or other document modifying or affecting the *Estatutos* has been filed with the office of the Mercantile Registry of Vizcaya since the filing on [●];

(ii) attached hereto as **Exhibit B** [is/are] a true, complete and correct specimen[s] of the global certificate[s] representing the Securities;

(iii) the representations and warranties of the Company in the Underwriting Agreement are accurate at and as of the [Time of Delivery];

(iv) the Company has performed all of its obligations under the Underwriting Agreement to be performed at or prior to the [Time of Delivery];

(v) the Final Term Sheet[, together with [*list any other Issuer Free Writing Prospectuses listed in an appendix to the Pricing Agreement*] and [*list any other "free writing prospectus", as defined in Rule 405 under the Act, that the parties to the Underwriting Agreement have expressly agreed in writing to treat as part of the Pricing Disclosure Package*],] has been filed with the Commission within the applicable time period prescribed for such filing by Rule 433(d) under the Act and the Prospectus as amended or supplemented in relation to such Securities has been filed with the Commission pursuant to Rule 424 (b) under the Act within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 5(a) of the Underwriting Agreement; no stop order suspending the effectiveness of the Registration Statement or any part thereof or suspending the use of the Prospectus or any Issuer Free Writing Prospectus, has been issued and no proceeding for that purpose has been initiated or, to the knowledge of the Company, threatened by the Commission; and all requests for additional information on the part of the Commission have been complied with; and

(vi) except as contemplated in the Prospectus, as amended or supplemented, since the Applicable Time there has not occurred (i) any change or decrease specified in the letter or letters referred to in Section 8(e) of the Underwriting Agreement or (ii) any change, or any development involving a prospective change, in or affecting the financial condition, earnings, business, operations, prospects or properties of the Company, taken as a whole, whether or not arising from transactions in the ordinary course of business *[the following to be added, if applicable]* [, and at or after the Applicable Time, no rating of the Company's long-term senior debt has been lowered by Moody's, S&P or Fitch, and other than public announcements made prior to the Applicable Time, none of Moody's, S&P or Fitch has publicly announced that it has under surveillance or review with possible negative implications any rating of the Company's long-term senior debt].

Capitalized terms used but not defined herein shall have the meanings assigned to them in the Underwriting Agreement and the Pricing Agreement.

IN WITNESS WHEREOF, I have executed this certificate on behalf of the Company as of the date first written above.

By: _____
Name:
Title:

Exhibit 1.3

Banco Bilbao Vizcaya Argentaria, S.A.

Subordinated Notes

Underwriting Agreement

[Date]

To the Representatives named from time to time in the
applicable Pricing Agreement hereinafter described.

Ladies and Gentlemen:

From time to time Banco Bilbao Vizcaya Argentaria, S.A. (the "Company"), a *sociedad anónima* incorporated under the laws of the Kingdom of Spain, proposes to enter into one or more Pricing Agreements (each a "Pricing Agreement") in the form of Annex I hereto, with such additions and deletions as the parties thereto may determine and, subject to the terms and conditions stated herein and therein, the Company proposes to issue and sell to the several firms named in Schedule I to the applicable Pricing Agreement (such firms constituting the "Underwriters" with respect to such Pricing Agreement and the securities specified therein) the subordinated notes specified in Schedule II to such Pricing Agreement (the "Securities"). *[The following to be added, if applicable]* [The [Indenture (as defined below)/the paying agency agreement to be dated on or about [●] between the Company and [●] (the "Paying Agency Agreement")] will provide for the provision by [●], as the initial paying agent in respect of the Securities (in such capacity, the "Paying Agent"), of a duly executed and completed payment statement in connection with each payment of income (as such term is defined in the Pricing Prospectus (as defined herein)) under the Securities, and set forth certain procedures agreed by the Company and the Paying Agent in order to facilitate such process, along with a form of the payment statement to be used by the Paying Agent.]

The terms and rights of any particular issuance of Securities shall be as specified in the Pricing Agreement relating thereto and in or pursuant to the indenture dated July 28, 2016 (the "Base Indenture")[, as supplemented, with respect to the Securities, by a supplemental indenture to be dated on or about [●]] (the "[●] Supplemental Indenture") (the Base Indenture [as supplemented, with respect to the Securities, by the [●] Supplemental Indenture and] as supplemented from time to time, the "Indenture") between the Company and The Bank of New York Mellon (in such capacity, the "Trustee"). In addition, the Pricing Agreement may contain, if appropriate, the terms and the conditions upon which the Securities are to be offered or sold outside the United States and any provisions relating thereto. The Securities are not to be offered, distributed or sold in Spain in the primary market and no publicity of any kind relating to the Securities is to be made in Spain.

In this Agreement and in the Pricing Agreement, the following terms shall, unless the context otherwise requires, have the meanings specified as follows:

"Act" means the United States Securities Act of 1933, as amended;

"Applicable Time" means the applicable time specified in the applicable Pricing Agreement;

"Base Prospectus" means the prospectus included in the Registration Statement relating to the Securities, in the form in which it has most recently been filed with the Commission on or prior to the date of the applicable Pricing Agreement;

"BRRD Liability" means any liability, commitment, duty, responsibility, amount payable or contingency or other obligation arising from, or related to, the Agreement or the Pricing Agreement which may be subject to the exercise of the Spanish Bail-in Power (as defined below) by the Relevant Spanish Resolution Authority (as defined below);

"Commission" means the United States Securities and Exchange Commission;

"Effective Time" with respect to the Registration Statement means such date and time as of which any part of the Registration Statement filed prior to the execution and delivery of the applicable Pricing Agreement was declared effective by the Commission or has become effective upon filing pursuant to Rule 430B(f)(2) or Rule 462(c) under the Act;

"Exchange Act" means the United States Securities Exchange Act of 1934, as amended;

"Final Term Sheet" means the final term sheet containing a description of the Securities, prepared and filed pursuant to Section 5(a) hereof, and set forth as an appendix to the applicable Pricing Agreement;

"Law 11/2015" means Spanish Law 11/2015 of June 18, on the recovery and resolution of credit institutions and investment firms (*Ley 11/2015 de 18 de junio, de Recuperación y Resolución de Entidades de Crédito y Empresas de Servicios de Inversión*), as amended, replaced or supplemented from time to time;

"Pricing Prospectus" means the Base Prospectus, as amended and supplemented immediately prior to the Applicable Time, including any document incorporated by reference therein and any prospectus supplement deemed to be a part thereof, provided that, for purposes of this definition, information contained in a form of prospectus that is deemed retroactively to be part of the Registration Statement pursuant to Rule 430B under the Act shall be considered to be included in the Pricing Prospectus as of the actual time that form of prospectus is filed with the Commission pursuant to Rule 424(b) under the Act;

"Prospectus" means the Base Prospectus as proposed to be supplemented by the Prospectus Supplement;

"Prospectus Supplement" means the prospectus supplement relating to the Securities to be filed pursuant to Rule 424 under the Act;

"RD 1012/2015" means Royal Decree 1012/2015 of November 6, by virtue of which Law 11/2015 is developed and Royal Decree 2606/1996 of December 20 on credit entities' deposit guarantee fund is amended, as amended, replaced or supplemented from time to time;

"Registration Statement" means the registration statement on Form F-3 (File No. 333-[●]), including the Prospectus, relating to the Securities filed with the Commission, as amended to the date of the applicable Pricing Agreement;

"Relevant Spanish Resolution Authority" means the Spanish Fund for the Orderly Restructuring of Banks (*Fondo de Restructuración Ordenada Bancaria*), the European Single Resolution Mechanism and, as the case may be, according to Law 11/2015, the Bank of Spain and the Spanish Securities Market Commission (CNMV), and any other entity with the authority to exercise the Spanish Bail-in Power (as defined below) from time to time;

"Spanish Bail-in Power" means any write-down, conversion, transfer, modification, or suspension power existing from time to time under: (i) any law, regulation, rule or requirement applicable from time to time in the Kingdom of Spain, relating to the transposition or development of Directive 2014/59/EU of the European Parliament and the Council of the European Union of May 15, 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended, replaced or supplemented from time to time, including, but not limited to (a) Law 11/2015, (b) RD 1012/2015 and (c) Regulation (EU) No. 806/2014 of the European Parliament and of the Council of July 15, 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Resolution Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010, as amended, replaced or supplemented from time to time; or (ii) any other law, regulation, rule or requirement applicable from time to time in the Kingdom of Spain pursuant to which (a) obligations or liabilities of banks, investment firms or other financial institutions or their affiliates can be reduced, cancelled, modified, transferred or converted into shares, other securities, or other obligations of such persons or any other person (or suspended for a temporary period or permanently) or (b) any right in a contract governing such obligations may be deemed to have been exercised;

"Significant Subsidiaries" shall mean BBVA Compass Bancshares, Inc. and Grupo Financiero BBVA Bancomer, S.A. de C.V.; and

"Underwriter Information" shall have the meaning set forth in the applicable Pricing Agreement.

Any reference herein to the Registration Statement or the Prospectus shall be deemed to refer to and include the documents which were filed under the Act or the Exchange Act on or before the date and time of the applicable Pricing Agreement, and incorporated by reference in the Registration Statement and the Prospectus, excluding any documents or portions of such documents which are deemed under the rules and regulations of the Commission under the Act not to be incorporated by reference, and, in the case of the Registration Statement, including any prospectus supplement filed with the Commission and deemed by virtue of Rule 430B under the Act to be part of the Registration Statement. Any reference herein to the terms "amend", "amendment" or "supplement" with respect to the Registration Statement or the Prospectus shall be deemed to refer to and include the filing of any document under the Exchange Act deemed to be incorporated therein by reference after the date of the applicable Pricing Agreement.

1. Particular sales of Securities may be made from time to time by the Company to the Underwriters of such Securities, for whom the firms designated as representatives of the Underwriters of such Securities in the Pricing Agreement relating thereto will act as representatives (the "Representatives"). The term "Representatives" also refers to a single firm acting as sole representative of the Underwriters and to an Underwriter or Underwriters who act without any firm being designated as its or their representatives. This Underwriting Agreement shall not be construed as an obligation of the Company to sell any of the

Securities or as an obligation of any of the Underwriters to purchase the Securities except as set forth in a Pricing Agreement, it being understood that the obligation of the Company to issue and sell any of the Securities and the obligation of any of the Underwriters to purchase any of the Securities shall be evidenced by the applicable Pricing Agreement with respect to the Securities specified therein. Each Pricing Agreement shall specify the aggregate principal amount and interest rate of such Securities, the initial public offering price of such Securities, the purchase price to the Underwriters of such Securities, the names of the Underwriters of such Securities, the names of the Representatives of such Underwriters, the principal amount of such Securities to be purchased by each Underwriter and the underwriting discount and/or commission, if any, payable to the Underwriters with respect thereto and shall set forth the date, time and manner of delivery of such Securities and payment therefor. The applicable Pricing Agreement shall also specify (to the extent not set forth in the Registration Statement and Prospectus with respect thereto) the terms of such Securities. A Pricing Agreement shall be in the form of an executed writing (which may be in counterparts), and may be evidenced by an exchange of telegraphic communications or any other rapid transmission device designed to produce a written record of communications transmitted. The obligations of the Underwriters under this Agreement and each Pricing Agreement shall be several and not joint.

2. The Company represents and warrants to, and agrees with, each of the Underwriters that:

(a) The Company meets the requirements for the use of Form F-3, and the Registration Statement, including the Prospectus, has been filed with the Commission in accordance with applicable regulations of the Commission under the Act, and has been declared or has become effective under the Act;

(b) No stop order suspending the effectiveness of the Registration Statement (as amended or supplemented) has been issued and no proceeding for that purpose has been initiated or threatened, and no order preventing or suspending the use of the Prospectus or any "issuer free writing prospectus" as defined in Rule 433 under the Act relating to the Securities (an "Issuer Free Writing Prospectus") has been issued by the Commission;

(c) At the Effective Time, the Registration Statement and the Prospectus conformed, and any amendments thereof and supplements thereto relating to the Securities will conform, in all material respects to the requirements of the Act, the Exchange Act and the rules and regulations of the Commission thereunder; and neither the Registration Statement at the Effective Time nor the Prospectus as of the date thereof and, as amended or supplemented, at the Time of Delivery (as defined below) of the Securities, included or will include any untrue statement of a material fact or omitted or will omit to state any material fact required to be stated therein or necessary to make the statements therein, in the case of the Registration Statement, not misleading, or in the case of the Prospectus, in light of the circumstances in which they were made, not misleading; provided, however, that this representation and warranty shall not apply to (i) any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by or on behalf of any Underwriter of Securities by the Representatives expressly for use in such documents, it being understood and agreed that the only such information furnished by or on behalf of any Underwriter consists of the Underwriter Information and (ii) any statements or omissions made in that part of the Registration Statement that constitutes the Statement of Eligibility under the Trust Indenture Act of 1939, as amended, of the Trustee;

(d) The Pricing Prospectus, as supplemented by the Final Term Sheet together with any other Issuer Free Writing Prospectus listed in an appendix to the applicable Pricing Agreement and any other "free writing prospectus", as defined in Rule 405 under the Act, that the parties hereto shall hereafter expressly agree in writing to treat as part of the pricing disclosure package (collectively, the "Pricing Disclosure Package"), as of the Applicable Time, did not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and each Issuer Free Writing Prospectus does not conflict with the information contained in the Registration Statement, the Prospectus Supplement or the Prospectus, and each Issuer Free Writing Prospectus and any road show presentation, including any Bloomberg road show presentation made by or on behalf of the Company, taken together with the Pricing Disclosure Package as of the Applicable Time, did not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by or on behalf of any Underwriter of Securities by the Representatives expressly for use in such documents or the Pricing Disclosure Package, it being understood and agreed that the only such information furnished by or on behalf of any Underwriter consists of the Underwriter Information;

(e) Each document incorporated by reference in the Pricing Prospectus or the Prospectus, when it became effective or was filed with the Commission, as the case may be, complied in all material respects with the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and none of such documents contained any untrue statement of any material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; any further documents so filed and incorporated by reference in the Pricing Prospectus or the Prospectus or any further amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder and will not contain any untrue statement of any material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that (i) no such documents were filed with the Commission following the Commission's close of business on the business day immediately prior to the date of the applicable Pricing Agreement and prior to the execution of the applicable Pricing Agreement, except as set forth on a schedule to the applicable Pricing Agreement; and (ii) this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by or on behalf of any Underwriter of Securities by the Representatives expressly for use in such documents;

(f) *[The following to be added, if applicable]* [The [Indenture/Paying Agency Agreement] will provide for the provision by the Paying Agent of a duly executed and completed payment statement in connection with each payment of income (as such term is defined in the Pricing Prospectus) under the Securities, and set forth certain procedures agreed by the Company and the Paying Agent in order to facilitate such process, along with a form of the payment statement to be used by the Paying Agent];

(g) The Company and each of the Significant Subsidiaries has been duly incorporated and is validly existing and in good standing under the laws of the jurisdiction of its incorporation, with power and authority (corporate and other) to own, lease, license and operate its properties and conduct its business as described in the Registration Statement and the Pricing Prospectus;

(h) Neither the Company nor any of the Significant Subsidiaries is in violation of its respective charter or by-laws or in default (or with the giving of notice or lapse of time would be in default) under any existing obligation, agreement, covenant or condition contained in any indenture, loan agreement, mortgage, lease or other agreement or instrument to which any of them is a party or by which any of them is bound or to which any of the properties of any of them is subject, except such defaults that would not, individually or in the aggregate, result in a material adverse effect on the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and the Company's subsidiaries, taken as a whole ("Material Adverse Effect");

(i) The issue and sale of the Securities and the execution and delivery by the Company of, and the performance by the Company of its obligations under, as applicable, all of the provisions of the Securities and the Pricing Agreement (including the provisions of this Agreement), and compliance with the terms and provisions thereof, will not (i) result in a breach or violation of any of the terms and provisions of the charter or by-laws (or similar constitutive documents) of the Company, or (ii) result in a breach of any of the terms or provisions of, or constitute a default under, or result in the imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to (a) the charter or by-laws (or similar constitutive documents) of the Company, (b) any statute, rule, regulation or order of any governmental agency or body or any court, domestic or foreign, having jurisdiction over the Company or any of its properties, or (c) any agreement or instrument to which the Company is a party or by which the Company is bound or to which any of the properties of the Company is subject, except (in the case of (ii) above only) as would not have a Material Adverse Effect; and the Company has full power and authority (corporate and other) to authorize, issue and sell the Securities and perform its obligations thereunder, in each case as contemplated by the Pricing Agreement (including the provisions of this Agreement), and the Company has taken all necessary corporate actions to authorize, issue and sell the Securities and to perform its obligations thereunder;

(j) Except as disclosed in the Pricing Prospectus, since the end of the period covered by the latest financial statements included in the Pricing Disclosure Package (i) there has been no change, nor any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and the Company's subsidiaries,

taken as a whole, that has resulted, or is likely to result, in a Material Adverse Effect and (ii) there has been no change in the capital stock, short-term indebtedness, long-term indebtedness, net current assets or net assets of the Company and the Company's subsidiaries, taken as a whole, that has resulted, or is likely to result, in a Material Adverse Effect;

(k) The issued and outstanding share capital of the Company has been duly authorized and validly issued and is fully paid and non-assessable (i.e., will not subject any holder thereof to further calls or to personal liability to the Company or any of its creditors by reason only of being such holder); none of the outstanding shares of the Company was issued in violation of preemptive or other similar rights;

(l) The Company has implemented and uses procedures that it reasonably believes are required by applicable regulations, including procedures required by the Bank of Spain and the European Central Bank, to monitor, review, calculate, assess and maintain the sufficiency of its consolidated subsidiaries' reserves in light of all the circumstances; the Company calculates, reviews, assesses and estimates its regulated consolidated subsidiaries' regulatory capital requirements, and the Company reasonably believes that its methodology in relation to its risk-based capital position and requirements is, in light of all the circumstances, fair and in accordance with applicable regulations in all material respects;

(m) This Agreement has been duly authorized, executed and delivered by the Company;

(n) The applicable Pricing Agreement (including the provisions of this Agreement) has been duly authorized, executed and delivered by the Company;

(o) All material consents, approvals, authorizations, orders, registrations, clearances and qualifications of or with any court or governmental agency or body or any stock exchange authorities having jurisdiction over the Company required for the issue and sale of the Securities and the performance by the Company of its obligations thereunder and for the execution and delivery by the Company of the applicable Pricing Agreement to be duly and validly authorized, have been obtained or made and are in full force and effect;

(p) The Securities have been duly authorized, and, when issued, delivered and paid for pursuant to a Pricing Agreement, the Securities will have been duly executed, authenticated, issued and delivered by the Company in accordance with Spanish law, will be fully paid and non-assessable and will constitute valid and binding obligations of the Company enforceable against the Company in accordance with their terms, subject, as to enforcement, to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws of general applicability relating to or affecting creditors' rights, to general equity principles and to any exercise of the Spanish Bail-in Power; and no holder thereof will be subject to personal liability by reason only of being such a holder; the Securities will not be subject to the pre-emptive rights of any shareholder of the Company and will be consistent with the description thereof contained in the Prospectus and the applicable Prospectus Supplement, and such descriptions will conform to the rights set forth in the instruments defining the same;

(q) Except as provided in the Pricing Prospectus, the payment obligations of the Company under the Securities will at all times rank *pari passu* without preference among themselves and with respect to any other unsubordinated and unsecured payment obligations of the Company.

(r) Neither the Company, nor any of its affiliates (as defined in Rule 405 under the Act), nor any person acting on its or their behalf (other than any Underwriter, as to which no representation is made) has taken or will take, directly or indirectly, any action designed to cause or to result in, or that has constituted or which might reasonably be expected to cause or result in, the stabilization in violation of applicable laws or manipulation of the price of any security of the Company to facilitate the sale or resale of the Securities;

(s) The Company is not, and after giving effect to the offering and sale of the Securities and the application of the proceeds thereof as described in the Prospectus, will not be, required to register as an "investment company" as such term is defined in the U.S. Investment Company Act of 1940, as amended;

(t) Except as described in the Pricing Prospectus, no stamp or other issuance or transfer taxes or duties or similar fees or charges are payable by or on behalf of the Underwriters to the Kingdom of Spain or any political subdivision or taxing authority thereof or therein in connection with (i) the issuance, sale and delivery by the Company of the Securities to or for the respective accounts of the Underwriters or (ii) the sale and delivery by the Underwriters of the Securities in accordance with the terms of this Agreement and in the manner contemplated by the Pricing Prospectus and the Registration Statement;

(u) The statements set forth in the Pricing Prospectus and the Registration Statement under the caption "Certain Terms of the Notes" and "Description of the Notes of BBVA" *[the following will be added, if applicable]* [(to the extent not superseded by the statements set forth under the caption "[Certain Terms of the Notes]" in the Prospectus Supplement)], taken together, insofar as they purport to constitute a summary of the terms of the Securities, and under the captions "Spanish Tax Considerations" and "U.S. Tax Considerations", insofar as they purport to describe the provisions of the laws referred to therein, in each case when read together with any Final Term Sheet and any other Issuer Free Writing Prospectuses listed in an appendix to the applicable Pricing Agreement, are accurate and complete in all material respects;

(v) None of the Company, any of its Significant Subsidiaries, nor, to the knowledge of the Company, any director, officer or employee of the Company or any of its Significant Subsidiaries, is aware of or has taken any action, directly or indirectly, that could reasonably lead to an action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its Significant Subsidiaries in connection with a violation by any such person of any anti-corruption or anti-bribery laws or regulations of any applicable jurisdiction including the UK Bribery Act 2010 and the U.S. Foreign Corrupt Practices Act, as amended, and the rules and regulations thereunder (the "Anti-Corruption Laws") which would result in a fine or other sanction which could be material for the Company or the Company and its Significant Subsidiaries, and the Company, each of the Significant Subsidiaries and, to the knowledge of the Company,

their respective affiliates have conducted their businesses in compliance in all material respects with the Anti-Corruption Laws and have instituted and maintain policies and procedures designed to ensure continued compliance therewith in all material respects;

(w) The Company and each of its Significant Subsidiaries maintain a system of controls and procedures reasonably designed to ensure that the operations of the Company and each of its Significant Subsidiaries are conducted, where applicable, in compliance in all material respects with applicable financial recordkeeping and reporting requirements of the European Union, the Kingdom of Spain, the United States and each State thereof and the United Mexican States, and applicable money laundering statutes and the rules and regulations thereunder (collectively, the "Money Laundering Laws"), and no material action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its Significant Subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened;

(x) None of the Company, or any of its Significant Subsidiaries is currently the subject of sanctions in a material amount administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC") or any similar sanctions administered by the European Union, the Kingdom of Spain or the United Mexican States; and the Company will not directly or indirectly use the transaction proceeds so as to contravene any OFAC or any similar European, Spanish or Mexican regulations that may be applicable to them;

(y) The Company and its subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and the Company's and its subsidiaries' internal controls over financial reporting are effective and neither the Company nor any of its subsidiaries is aware of any material weakness in its or their internal controls over financial reporting;

(z) The Company and its subsidiaries maintain "disclosure controls and procedures" (as such term is defined in Rule 13a-15(e) under the Exchange Act);

(aa) Except as set forth in the Pricing Disclosure Package and the Prospectus (in each case, exclusive of any amendment or supplement thereto), no litigation, prosecution, investigation, arbitration or administrative proceeding involving the Company, any of the Company's subsidiaries or any of its properties is pending, or, to the knowledge of the Company, threatened, except to the extent that any such litigation, prosecution, investigation, arbitration or proceeding, if resolved unfavorably to the Company, any of the Company's subsidiaries or any of its respective properties, would not, individually or in the aggregate, have a Material Adverse Effect;

(bb) Except as set forth in the Pricing Disclosure Package, there have been no material changes to the Company's consolidated capitalization and indebtedness since [●]; and

(cc) *[the auditor]*, who have certified certain financial statements of the Company, are independent public accountants in respect of the Company as required by the Act and the applicable rules and regulations of the Commission.

3. Upon the execution of the applicable Pricing Agreement and authorization by the Representatives of the release of the Securities, the several Underwriters propose to offer such Securities for sale upon the terms and conditions set forth in the Prospectus as amended or supplemented.

4. Securities to be purchased by each Underwriter pursuant to the applicable Pricing Agreement, in the form specified in such Pricing Agreement, and in such authorized denominations and registered in such names as the Representatives may request upon at least forty-eight hours' prior notice to the Company, shall be delivered by or on behalf of the Company to the Representatives for the account of such Underwriter, against payment by such Underwriter or on its behalf of the purchase price therefor by wire transfer of Federal (same day) funds to the account specified by the Company in the currency specified in such Pricing Agreement, all in the manner and at the place and time and date specified in such Pricing Agreement or at such other place and time and date as the Representatives and the Company may agree upon in writing, such time and date being herein called the "Time of Delivery" for such Securities.

5. The Company covenants and agrees with each of the Underwriters:

(a) To prepare the Final Term Sheet in a form approved by the Representatives and to file such Final Term Sheet pursuant to Rule 433(d) under the Act within the time required by such Rule, and to prepare the Prospectus as amended or supplemented in relation to the applicable Securities in a form approved by the Representatives, which approvals shall not be unreasonably withheld, and to file such Prospectus pursuant to Rule 424(b) under the Act no later than the Commission's close of business on the second business day following the execution and delivery of the applicable Pricing Agreement or, if applicable, such earlier time as may be required by such Rule, and to take such steps as they deem necessary to ascertain promptly whether the Prospectus transmitted for filing under Rule 424(b) was received for filing by the Commission and, in the event that it was not, to promptly file such Prospectus; to make no further amendment or any supplement to the Registration Statement or Prospectus as amended or supplemented after the date of the applicable Pricing Agreement and prior to the Time of Delivery for the Securities which shall be reasonably disapproved by the Representatives for such Securities promptly after reasonable notice thereof; to advise the Representatives promptly of any such amendment or supplement after such Time of Delivery and furnish the Representatives with copies thereof; to file promptly all reports required to be filed by Company with the Commission pursuant to Section 13(a), 13(c) or 15(d) of the Exchange Act for so long as the delivery of a prospectus (or, in lieu thereof, the notice referred to in Rule 173(a) under the Act) is required in connection with the offering or sale of such Securities, and during such same period to advise the Representatives, promptly after it receives notice thereof, (i) of the receipt of any comments from the Commission in respect of the Registration Statement or any prospectus relating to the

Securities, (ii) of the time when any amendment to the Registration Statement has been filed or becomes effective or any supplement to the Prospectus or any amended Prospectus has been filed with the Commission, (iii) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or of any examination pursuant to Section 8(e) of the Act concerning the Registration Statement or of any order preventing or suspending the use of any prospectus relating to the Securities, (iv) of the suspension of the qualification of the Securities for offering or sale in any jurisdiction, (v) of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement, the Prospectus or any document incorporated by reference therein or for additional information with respect thereto and of receipt (whether written or oral) by it (or by any of its officers or attorneys) of any comments or other communication from the Commission relating to the Registration Statement, the Pricing Disclosure Package (and, notwithstanding any other provision of this Agreement, if any such request or communication is in writing, the Company shall promptly furnish the Underwriters with a copy thereof) or any document incorporated by reference therein, and, in the event of the issuance of any such stop order or of any such order preventing or suspending the use of any prospectus relating to the Securities or suspending any such qualification, to promptly use its best efforts to obtain the withdrawal of such order, (vi) of the occurrence of any event that could reasonably be expected to cause the Company to withdraw, rescind or terminate the offering of the Securities or would permit the Company to exercise any right not to issue the Securities other than as set forth in the Pricing Disclosure Package, (vii) of the occurrence of any event, or the discovery of any fact, the occurrence or existence of which would require the making of any change in any of the Pricing Disclosure Package then being used or would cause any representation or warranty contained in this Agreement to be untrue or inaccurate in any material respect or (viii) of any proposal or requirement to make, amend or supplement any of the Pricing Disclosure Package or of any other material information relating to the offering of the Securities or this Agreement that any Underwriter may from time to time reasonably request;

(b) Promptly from time to time to take such action as the Representatives may reasonably request, after consultation with the Company, to qualify such Securities for offering and sale under the securities laws of such jurisdictions as the Representatives may reasonably request and as are specified in the applicable Pricing Agreement and to maintain such qualification in effect for not less than one year from the date of the applicable Pricing Agreement; provided, however, that additional such jurisdictions may be reasonably requested by the Representatives, with the prior consent of the Company, subsequent to the date thereof; and provided further that in connection therewith the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction;

(c) To furnish the Underwriters with copies of the Prospectus, as amended or supplemented, in such quantities as the Representatives may reasonably request, and, if the delivery of a prospectus (or in lieu thereof, the notice referred to in Rule 173 (a) under the Act) is required under the Act at any time in connection with the offering or sale of the Securities and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include any untrue statement of any material fact or omit to state any material fact necessary in

order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or the Registration Statement or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Act or the Exchange Act, to notify the Representatives and upon their request to file such document and to prepare and furnish, without charge, to each Underwriter and to any dealer in securities as many copies as the Representatives may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance;

(d) During the period beginning from the date of the applicable Pricing Agreement and continuing to and including the later of (i) the completion of the sale of the Securities by the Underwriters (as determined by the Representatives), but not more than 30 calendar days following the Time of Delivery, and (ii) the Time of Delivery for such Securities, not to offer, sell, contract to sell or otherwise dispose of, in the jurisdiction[s] specified in the applicable Pricing Agreement, any U.S. dollar-denominated debt securities issued by the Company which mature more than one year after such Time of Delivery and which are substantially similar to such Securities, without the prior written consent of the Representatives;

(e) To timely file or submit such reports pursuant to the Exchange Act as are necessary in order to make generally available to its securityholders an earnings statement complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder, covering a period of twelve months beginning after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act) as soon as is reasonably practicable after the termination of such twelve-month period; *provided however,* that the Company will be deemed to have satisfied this obligation by filing with, or submitting to, the Commission a consolidated earnings statement complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder for the year ended December 31, [●] as soon as is reasonably practicable after the termination of such twelve-month period;

(f) *[The following will be added, if applicable]* [To file the public deed in respect of the Securities for registration with the Vizcaya Mercantile Registry within a month since the date it is granted and to use its commercially reasonable best efforts to ensure that such public deed is registered with the Vizcaya Mercantile Registry;]

(g) To use its best efforts to effect, promptly following the Time of Delivery, the authorization of the Securities for listing on the New York Stock Exchange, Inc., or any other stock exchange on which the Prospectus specifies that the Securities may be listed, subject only to official notice of issuance, and to permit the Securities to be eligible, at the Time of Delivery, for clearance and settlement through the facilities of the Depository Trust Corporation ("DTC"), or any other clearance and settlement entity through which the Prospectus specifies that clearance and settlement of the Securities may be made;

(h) Without the prior written consent of the Representatives, none of the Company, its affiliates or any person acting on its or their behalf has given or will give to any prospective purchaser of the Securities any written information concerning the offering of the Securities other than materials contained in the Pricing Disclosure Package, the Prospectus or any other offering materials distributed with the prior written consent of the Representatives;

(i) The Company will comply with Section [10.04] of the Base Indenture *[the following will be added, if applicable]* [(as amended and supplemented by the [●] Supplemental Indenture)] with respect to the Securities; and

(j) If the Company maintains a paying agent in respect of the Securities in a European Union member state, it will ensure that it maintains a paying agent in a European Union member state that will not be obliged to withhold or deduct tax pursuant to the European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meeting of 26/27 November 2000 (each, a "Directive") or any law implementing or complying with, or introduced in order to conform to, such Directive.

6. (a) The Company represents and agrees that (i) without the prior written consent of the Underwriters, other than the Issuer Free Writing Prospectuses listed in an appendix to the applicable Pricing Agreement, it has not made and will not make any offer relating to the Securities that (A) would constitute an Issuer Free Writing Prospectus or (B) would otherwise constitute a "free writing prospectus", as defined in Rule 405 under the Act, required to be filed with the Commission or retained by the Company pursuant to Rule 433 under the Act, (ii) it has complied and will comply with the requirements of Rules 164 and 433 under the Act applicable to any Issuer Free Writing Prospectus, including timely filing with the Commission or retention where required and legending and (iii) it will treat any such free writing prospectus consented to by the Underwriters as an Issuer Free Writing Prospectus.

(b) Each Underwriter represents and agrees that, without the prior written consent of the Company and the other Underwriters, it has not made and will not make any offer relating to the Securities that (i) would constitute an Issuer Free Writing Prospectus, or (ii) would otherwise constitute a "free writing prospectus", as defined in Rule 405 under the Act, required to be filed with the Commission or retained by the Company pursuant to Rule 433 under the Act; provided, however, that the Company consents to the use by each Underwriter of a "free writing prospectus" not required to be filed with the Commission or retained by the Company pursuant to Rule 433 under the Act that contains only (A) information describing the preliminary terms of the Securities or their offering which will not be inconsistent with the Final Term Sheet or the other Issuer Free Writing Prospectuses listed in an appendix to the applicable Pricing Agreement, (B) information that describes the final terms of the Securities or their offering and that is included in the Final Term Sheet or any other Issuer Free Writing Prospectuses listed in an appendix to the applicable Pricing Agreement and (C) information that is in any electronic road show related to the Securities and approved in writing as such by the Company.

(c) Any such "free writing prospectus", as defined in Rule 405 under the Act, the use of which has been consented to by the Company and the Underwriters (including the Final Term Sheet) will be listed in an appendix to the applicable Pricing Agreement.

7. The Company covenants and agrees with the several Underwriters that the Company will pay or cause to be paid all those costs, expenses and disbursements relating or incident to the offering, purchase, sale and delivery of Securities as are set forth in the applicable Pricing Agreement.

8. The obligations of the Underwriters of any Securities under the applicable Pricing Agreement shall be subject, in the discretion of the Representatives, to the condition, to be met by the Time of Delivery, that all representations and warranties of the Company in or incorporated by reference in the applicable Pricing Agreement are, at and as of the Time of Delivery for such Securities, true and correct, the condition that the Company shall have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Final Term Sheet, together with any other Issuer Free Writing Prospectuses listed in an appendix to the applicable Pricing Agreement and any other "free writing prospectus", as defined in Rule 405 under the Act, that the parties hereto shall hereafter expressly agree in writing to treat as part of the Pricing Disclosure Package shall have been filed with the Commission within the applicable time period prescribed for such filing by Rule 433(d) under the Act and the Prospectus as amended or supplemented in relation to such Securities shall have been filed with the Commission pursuant to Rule 424(b) under the Act within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 5(a) hereof; no stop order suspending the effectiveness of the Registration Statement or any part thereof or suspending the use of the Prospectus or any Issuer Free Writing Prospectus, shall have been issued and no proceeding for that purpose shall have been initiated or, to the knowledge of the Company, threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with;

(b) U.S. counsel and, if specified in the applicable Pricing Agreement, Spanish counsel for the Underwriters shall each have furnished to the Representatives such written opinion or opinions, dated the Time of Delivery for such Securities, with respect to the Pricing Agreement (including the provisions of this Agreement), the Securities, the Pricing Disclosure Package, the Prospectus and the Registration Statement (as amended or supplemented at the Time of Delivery for such Securities) and other related matters not exceeding the scope of those covered in the opinions given pursuant to Sections 8(c) and 8(d), respectively, below as the Underwriters may reasonably require, and the Company shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass on such matters;

(c) U.S. counsel for the Company shall have furnished to the Representatives its written opinion, dated the Time of Delivery for such Securities, reasonably satisfactory to the Underwriters and substantially similar in form and substance to Schedule 8(c) attached hereto;

(d) Spanish counsel for the Company shall have furnished to the Representatives their written opinion, dated the Time of Delivery for such Securities, reasonably satisfactory to the Underwriters and substantially similar in form and substance to Schedule 8(d) attached hereto;

(e) At the Applicable Time and at the Time of Delivery for the Securities, each firm of independent accountants that has certified financial statements of the Company included or incorporated by reference in the Registration Statement shall

have furnished to the Underwriters and the directors of the Company a letter or letters, dated each such date, in form and substance satisfactory to the Representatives, together with signed or reproduced copies of such letter for each of the other Underwriters, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement and the Prospectus and substantially similar in form and substance to Schedule 8(e) attached hereto;

(f) Except as contemplated in the Prospectus, as amended or supplemented, since the Applicable Time there shall not have occurred (i) any change or decrease specified in the letter or letters referred to in Section 8(e) or (ii) any change, or any development involving a prospective change, in or affecting the financial condition, earnings, business, operations, prospects or properties of the Company and the Company's subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, that, in any case referred to in paragraphs (i) or (ii) above, the Representatives conclude, in their judgment, impairs the investment quality of the Securities so as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Securities as contemplated by the Prospectus, and from the Applicable Time to the Time of Delivery (as specified in the Pricing Agreement), no rating of the Company's long-term subordinated debt shall have been lowered by Moody's, S&P or Fitch, and other than public announcements made prior to the Applicable Time, none of Moody's, S&P or Fitch shall have publicly announced that it has under surveillance or review with possible negative implications any rating of the Company's long-term subordinated debt;

(g) At or after the Applicable Time there shall not have occurred any of the following: (i) a suspension or material limitation in trading in any securities of the Company by the Spanish *Comisión Nacional del Mercado de Valores*, the Commission, any Spanish Stock Exchange (which term shall include the Madrid, Barcelona, Valencia and Bilbao Stock Exchanges), the New York Stock Exchange, Inc. or the London Stock Exchange; (ii) a suspension or material limitation of trading in securities generally on any Spanish Stock Exchange, the New York Stock Exchange, Inc., the London Stock Exchange or in the over-the-counter market, or any setting of minimum or maximum prices for trading on such exchange; (iii) a banking moratorium declared by any U.S. federal, New York, United Kingdom or Spanish authorities or a material disruption in clearance or settlement systems in the United States, the United Kingdom or the Kingdom of Spain; (iv) a change or development involving a prospective change in taxation in Spain affecting the Securities or the imposition of exchange controls by the United States or Spain; (v) a material outbreak or escalation of hostilities involving the United States or Spain or the declaration by the United States or Spain of a national emergency or war or (vi) the occurrence of any material adverse change in the existing financial, political or economic conditions in the United States or Spain, where the effect of any such event specified in paragraphs (i) through (vi) above is in the judgment of the Representatives, after consultation with the Company, so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Securities on the terms and in the manner contemplated in the Prospectus as amended or supplemented relating to the Securities;

(h) The Company shall have complied with the provisions of Section 5(c) hereof with respect to the furnishing of prospectuses on the Business Day next succeeding the date of the applicable Pricing Agreement;

(i) At the Time of Delivery, the Securities shall have been approved for clearance and settlement through the facilities of DTC, or any other clearance and settlement entity through which the Prospectus specifies that clearance and settlement of the Securities may be made;

(j) The Company shall have furnished or caused to be furnished to the Representatives at the Time of Delivery for the Securities a certificate or certificates of an officer of the Company substantially similar in form and substance to Schedule 8(j) attached hereto, as to the accuracy of the representations and warranties of the Company herein at and as of such Time of Delivery, as to the performance of the Company of all of its obligations hereunder to be performed at or prior to such Time of Delivery and as to the matters set forth in subsections (a) and (f) of this Section; and

(k) If any condition specified in this Section 8 shall not have been fulfilled when and as required to be fulfilled, this Agreement may be terminated by the Representatives by notice to the Company at any time at or prior to the Time of Delivery, and such termination shall be without liability of any party to any other party except that Sections 7, 9, 11, 14, 15, 16, 17, 19 and 22 hereof and any related provisions of the applicable Pricing Agreement shall survive any such termination and remain in full force and effect.

9. (a) The Company agrees to indemnify and hold harmless each Underwriter, its directors, officers and employees, and each person, if any, who controls any Underwriter within the meaning of the Act or the Exchange Act against any losses, claims, damages or liabilities or expenses, joint or several, as incurred to which such Underwriter, director, officer, employee or controlling person may become subject, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any preliminary prospectus, any preliminary prospectus supplement, the Registration Statement or the Prospectus, as amended or supplemented, the Pricing Prospectus, the Pricing Disclosure Package, any Issuer Free Writing Prospectus, any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Act or any road show materials, in each case, relating to the Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter and each such director, officer, employee or controlling person for any and all expenses (including the fees and disbursements of counsel chosen by such Underwriter) as such expenses are incurred by such Underwriter in connection with investigating, defending, settling, compromising or paying any such loss, claim, damage, liability, expense or action; *provided*, *however*, that the foregoing indemnity agreement shall not apply to any loss, claim, damage or liability to the extent, but only to the extent, arising out of or based upon any untrue statement or alleged untrue statement or omission or alleged omission made in any preliminary prospectus, any preliminary prospectus supplement, the Registration Statement or the Prospectus, as amended or

supplemented, the Pricing Prospectus, the Pricing Disclosure Package, any Issuer Free Writing Prospectus or any road show materials, in each case, relating to the Securities, or any such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by any Underwriter of Securities through the Representatives expressly for use therein, it being understood and agreed that the only such information furnished by or on behalf of any Underwriter consists of the Underwriter Information.

(b) Each Underwriter severally but not jointly agrees to indemnify and hold harmless the Company and its directors, officers and employees, and each person, if any, who controls the Company within the meaning of the Act or the Exchange Act, against any loss, claim, damage, liability or expense, as incurred, to which each such person may become subject under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any preliminary prospectus, any preliminary prospectus supplement, the Registration Statement or the Prospectus, as amended or supplemented, the Pricing Prospectus, the Pricing Disclosure Package or any Issuer Free Writing Prospectus, in each case, relating to the Securities, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, arising out of or based upon any untrue statement or alleged untrue statement or omission or alleged omission made in any preliminary prospectus, any preliminary prospectus supplement, the Registration Statement or the Prospectus, as amended or supplemented, the Pricing Prospectus, the Pricing Disclosure Package, or any Issuer Free Writing Prospectus, in each case, relating to the Securities, or any such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by any Underwriter of Securities through the Representatives expressly for use therein, it being understood and agreed that the only such information furnished by or on behalf of any Underwriter consists of the Underwriter Information; and will reimburse the Company for any legal or other expenses incurred by the Company in connection with investigating, defending, settling, compromising or paying any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall, so far as permitted by any insurance policy of the indemnified party and subject to the indemnifying party agreeing to indemnify the indemnified party against all judgments and other liabilities resulting from such action, be entitled to participate therein and, to the extent that it may elect, jointly with all other indemnifying parties similarly notified, by written notice delivered to the indemnified party promptly after receiving the aforesaid notice from such indemnified

party, to assume the defense thereof, with counsel satisfactory to such indemnified party; provided that, if the defendants in any such action include both the indemnified party and the indemnifying party, and the indemnified party shall have reasonably concluded that a conflict may arise between the positions of the indemnifying party and the indemnified party in conducting the defense of any such action or that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party, the indemnified party or parties shall have the right to select separate counsel, to assert such legal defenses and to otherwise participate in the defense of such action on behalf of such indemnified party or parties. Upon receipt of notice from the indemnifying party to such indemnified party of such indemnified party's election so to assume the defense of such action and approval by the indemnified party of counsel, the indemnifying party shall not be liable to such indemnified party under this Section 9 for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof unless (i) the indemnified party shall have employed separate counsel in connection with the assertion of legal defenses in accordance with the proviso to the next preceding sentence (it being understood, however, that the indemnifying party shall not be liable for the expenses of more than one separate counsel (together with local counsel), approved by the representatives representing the indemnified parties who are parties to such action), (ii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of commencement of the action or (iii) the indemnifying party has authorized the employment of counsel for the indemnified party at the expense of the indemnifying party; and except that, if clause (i) or (iii) is applicable, such liability shall be only in respect of the counsel referred to in such clause (i) or (iii). An indemnifying party will not, without the prior written consent of each indemnified party, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested that an indemnifying party reimburse the indemnified party for fees and expenses of counsel as contemplated by this Section, the indemnifying party shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by the indemnifying party of such request and (ii) the indemnifying party shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement.

(d) If the indemnification provided for in this Section 9 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) or expenses referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand

and the Underwriters of the Securities on the other from the offering of the Securities to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriters of the Securities on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof) or expenses, as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and such Underwriters on the other shall be deemed to be in the same respective proportions as the total net proceeds from such offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by such Underwriters, in each case as set forth on the cover page of the Prospectus, as amended or supplemented. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or such Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by *pro rata* allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the applicable Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of the Underwriters of Securities in this subsection (d) to contribute are several in proportion to their respective underwriting obligations with respect to such Securities and not joint.

(e) The obligations of the Company under this Section 9 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each officer, director or employee of each Underwriter and to each person, if any, who controls, is controlled by or is under common control with any Underwriter within the meaning of the Act or the Exchange Act; and the several obligations of the Underwriters under this Section 9 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer, director or employee of the Company and to each person, if any, who controls the Company within the meaning of the Act or the Exchange Act.

10. (a) If any Underwriter shall default in its obligation to purchase the Securities which it has agreed to purchase under the applicable Pricing Agreement, the Representatives may in their discretion, after giving notice to and consulting with the Company, arrange for themselves or another party or other parties to purchase such Securities on the terms contained herein. If within thirty-six hours after such default by any Underwriter the Representatives do not arrange for the purchase of such Securities, then the Company shall be entitled to a further period of thirty-six hours within which to procure another party or other parties to purchase such Securities on such terms. In the event that, within the respective prescribed period, the Representatives notify the Company that they have so arranged for the purchase of such Securities, or the Company notifies the Representatives that it has so arranged for the purchase of such Securities, the Representatives or the Company shall have the right to postpone the Time of Delivery for such Securities for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus as amended or supplemented, or in any other documents or arrangements, and the Company agrees to file promptly any amendments or supplements to the Registration Statement or the Prospectus which in the opinion of the Representatives may thereby be made necessary. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section 10 with like effect as if such person had originally been a party to the applicable Pricing Agreement.

(b) If, after giving effect to any arrangements for the purchase of the Securities of a defaulting Underwriter or Underwriters by the Representatives or the Company as provided in subsection (a) above, the aggregate principal amount of such Securities which remains unpurchased does not exceed one-eleventh of the aggregate principal amount of the Securities, then the Company shall have the right to require each non-defaulting Underwriter to purchase the principal amount of Securities which such Underwriter agreed to purchase under the applicable Pricing Agreement and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the principal amount of Securities which such Underwriter agreed to purchase under such Pricing Agreement) of the Securities of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Securities of a defaulting Underwriter or Underwriters by the Representatives or the Company as provided in subsection (a) above, the aggregate principal amount of Securities which remains unpurchased exceeds one-eleventh of the aggregate principal amount of the Securities, as referred to in subsection (b) above, or if the Company shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Securities of a defaulting Underwriter or Underwriters, then the applicable Pricing Agreement shall thereupon terminate, without liability on the part of any non-defaulting Underwriter or the Company, except for the expenses to be borne by the Company on the one hand and the Underwriters on the other hand, as provided in Section 7 hereof and the indemnity and contribution agreements in Section 9 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

11. The respective indemnities, agreements, representations, warranties and other statements of the Company and the several Underwriters, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or any controlling person of any Underwriter, the Company or any officer or director or controlling person of the Underwriters or the Company, and shall survive delivery of and payment for the Securities sold hereunder and any termination of this Agreement.

12. If any Pricing Agreement shall be terminated pursuant to Section 10 hereof, the Company shall not then be under any liability to any Underwriter with respect to the Securities covered by such Pricing Agreement except that Sections 7, 9, 11, 14, 15, 16, 17, 19 and 22 hereof and any related provisions of the applicable Pricing Agreement shall survive any such termination and remain in full force and effect.

13. In all dealings hereunder, the Representatives of the Underwriters of Securities shall act on behalf of each such Underwriter, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by such Representatives jointly or by such of the Representatives, if any, as may be designated for such purpose in the applicable Pricing Agreement.

All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to the address of the Representatives as set forth in the applicable Pricing Agreement; and, if to the Company, shall be delivered or sent by mail or electronic transmission to BBVA, Calle Azul 4, 28050 Madrid, Spain, Attention: Financial Department; finance.department@bbva.com; provided, however, that any notice to an Underwriter pursuant to Section 9(c) hereof shall be delivered or sent by mail, telex or facsimile transmission to such Underwriter at its address set forth in [its Underwriters' questionnaire, or telex constituting such questionnaire], which address will be supplied to the Company by the Representatives upon request. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

14. This Agreement and each Pricing Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Company and, to the extent provided in Sections 9 and 11 hereof, the officers and directors of the Company and each person who controls the Company or any Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement or any such Pricing Agreement. No purchaser of any Securities from any Underwriter shall be deemed a successor or assign by reason merely of such purchase.

15. The Company waives to the fullest extent permitted by applicable law any claims it may have against the Underwriters arising from an alleged breach of agency, fiduciary or similar duty to the Company in connection with the offering of the Securities or the process leading thereto and acknowledges and agrees that each Underwriter is acting solely in the capacity of an arm's length contractual counterparty to the Company with respect to the offering of the Securities (including in connection with determining the terms of the offering contemplated by this Agreement) and not as an agent or fiduciary to the

Company or any other person. Additionally, each Underwriter is not advising the Company or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of such matters, and no Underwriter shall have any responsibility or liability to the Company or any other person with respect to such matters. Any review by an Underwriter of the Company, the transactions contemplated by this Agreement or any other due diligence review by such Underwriter in connection with such transactions will be performed solely for the benefit of such Underwriter and shall not be on behalf of the Company or any other person. This Agreement supersedes all prior agreements and understandings (whether written or oral) between the Company and the Underwriters, or any of them, with respect to the subject matter hereof.

16. The Company irrevocably agrees that any suit, action or proceeding against the Company brought by Underwriters or by any person who controls the Underwriters, arising out of or based upon this Agreement, the Pricing Agreement or the transactions contemplated hereby may be instituted in any state or federal court in the Borough of Manhattan, The City of New York, New York, and, to the extent permitted by law, irrevocably waives any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding, and irrevocably submits to the nonexclusive jurisdiction of such courts in any such suit, action or proceeding. The Company irrevocably appoints Banco Bilbao Vizcaya Argentaria, S.A., New York Branch, as its Authorized Agent (the "Authorized Agent") upon whom process may be served in any such suit, action or proceeding arising out of or based on this Agreement, the Pricing Agreement or the transactions contemplated hereby or thereby which may be instituted in any state or federal court in the Borough of Manhattan, The City of New York, New York, by an Underwriter or by any person who controls an Underwriter, and the Company expressly consents to the jurisdiction of any such court in respect of any such suit, action or proceeding, and waives any other requirements of or objections to personal jurisdiction with respect thereto. The Company represents and warrants that the Authorized Agent has agreed to act as said agent for service of process, and the Company agrees to take any and all action, including the filing of any and all documents and instruments, that may be necessary to continue such appointment in full force and effect as aforesaid. Service of process upon the Authorized Agent and written notice of such service to the Company shall be deemed, in every respect, effective service of process upon the Company. Notwithstanding the foregoing, any suit, action or proceeding based on this Agreement may be instituted by the Underwriters in any competent court in the Kingdom of Spain.

17. In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

18. In respect of any judgment or order given or made for any amount due hereunder that is expressed and paid in a currency (the "judgment currency") other than United States dollars, the Company will indemnify each Underwriter against any loss incurred by such Underwriter as a result of any variation as between (i) the rate of exchange at which the United States dollar amount is converted into the judgment currency for the purpose of such judgment or order and (ii) the rate of exchange at which an Underwriter is

able to purchase United States dollars with the amount of judgment currency actually received by such Underwriter. The foregoing indemnity shall constitute a separate and independent obligation of the Company and shall continue in full force and effect notwithstanding any such judgment or order as aforesaid. The term "rate of exchange" shall include any premiums and costs of exchange payable in connection with the purchase of or conversion into United States dollars.

19. Time shall be of the essence of each Pricing Agreement. As used herein, "business day" shall mean any day when the Commission's office in Washington, D.C. is open for business.

20. The invalidity or unenforceability of any section, paragraph or provision of this Agreement shall not affect the validity or enforceability of any other section, paragraph or provision hereof.

21. **Except as may be otherwise provided in a Pricing Agreement, this Agreement and each Pricing Agreement shall be governed by and construed in accordance with the laws of the State of New York.**

22. Notwithstanding and to the exclusion of any other term of this Agreement, any Pricing Agreement or any other agreements, arrangements, or understandings between the Company and any or all of the Underwriters, each Underwriter acknowledges and accepts that a BRRD Liability arising under this Agreement may be subject to the exercise of Bail-in Powers by the Relevant Spanish Resolution Authority and acknowledges, accepts, and agrees to be bound by:

(a) the effect of the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority in relation to any BRRD Liability of the Company to such Underwriter, which (without limitation) may include and result in any of the following, or some combination thereof:

(i) the reduction of all, or a portion, of such BRRD Liability or outstanding amounts due thereon;

(ii) the conversion of all, or a portion, of such BRRD Liability into shares, other securities or other obligations of the Company or another person, and the issue to or conferral on such Underwriter of such shares, securities or obligations;

(iii) the cancellation of such BRRD Liability; and/or

(iv) the amendment or alteration of any interest, if applicable, on such BRRD Liability, and the maturity or the dates on which any payments on such BRRD Liability are due, including by suspending payment for a temporary period; and

(b) the variation of the terms of this Agreement and/or the relevant Pricing Agreement, as deemed necessary by the Relevant Spanish Resolution Authority, to give effect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority.

ANNEX I

Pricing Agreement

[Date]

[Name(s) of Representative(s)]
[Address]

As Representative[s] of the several
Underwriters named in Schedule I hereto,

Ladies and Gentlemen:

Banco Bilbao Vizcaya Argentaria, S.A., a *sociedad anónima* incorporated under the laws of the Kingdom of Spain (the "Company"), proposes, subject to the terms and conditions stated herein and in the Underwriting Agreement, a copy of which is attached hereto (the "Underwriting Agreement"), to issue and sell to the Underwriters named in Schedule I hereto (the "Underwriters") the securities specified in Schedule II hereto (the "Securities").

Each of the provisions of the Underwriting Agreement is incorporated herein by reference in its entirety, and shall be deemed to be a part of this Agreement to the same extent as if such provisions had been set forth in full herein; and each of the representations and warranties set forth therein shall be deemed to have been made at and as of the Applicable Time (as set forth in Schedule II attached hereto), except that each representation and warranty which refers to the Prospectus in Section 2 of the Underwriting Agreement shall be deemed to be a representation or warranty as of the date of the Prospectus (as defined in the Underwriting Agreement), and also a representation and warranty as of the Applicable Time in relation to the Prospectus as amended or supplemented relating to the Securities which are the subject of this Pricing Agreement. Each reference to the Representatives or to the Underwriters in the provisions of the Underwriting Agreement so incorporated by reference shall be deemed to refer to you. Unless otherwise defined herein, terms defined in the Underwriting Agreement are used herein as therein defined. The Representatives designated to act on behalf of each of the Underwriters pursuant to Section 13 of the Underwriting Agreement and their addresses are set forth in Schedule II hereto.

A supplement to the Prospectus relating to the Securities, in the form heretofore delivered to you (the "Prospectus Supplement"), is now proposed to be filed with the Commission.

Subject to the terms and conditions set forth herein and in the Underwriting Agreement incorporated herein by reference, the Company agrees that it will issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at the time and place and at the purchase price to the Underwriters set forth in Schedule II hereto, the principal amount of Securities set forth opposite the name of each such Underwriter in Schedule I hereto.

If the foregoing is in accordance with your understanding, please sign and return to us *[insert relevant number of counterparts]* counterparts hereof, and upon acceptance hereof by you this letter and such acceptance hereof, including the provisions of the Underwriting Agreement incorporated herein by reference, shall constitute a binding agreement between the several Underwriters on the one hand and the Company on the other.

It is understood that your acceptance of this letter on behalf of each of the Underwriters is or will be pursuant to the authority set forth in an Agreement among Underwriters.

Very truly yours,

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

By: _____
Name:
Title:

Accepted as of the date hereof:

[Insert name(s) of Representative(s)]

By: _____
Name:
Title:

[On behalf of each of the Underwriters]

SCHEDULE I

Underwriter	Principal Amount of Securities to be Purchased
[Insert name(s) of Representative(s)]	
[Insert names of other Underwriters, if any]	
Total	

SCHEDULE II

Issuer:

Banco Bilbao Vizcaya Argentaria, S.A.

Title[s] of Securities:

[ ]

Specific Terms of Securities:

See Appendix A for a copy of the Final Term Sheet relating to the Securities.

Price to Public:

[ ]% [plus accrued interest, if any, from _____].

Purchase Price by Underwriters:

[ ]

Principal Amount:

[ ]

Minimum Initial Purchase Amount:

[ ]

Denominations:

[ ]

Specified Funds for Payment of Purchase Price:

[Federal (same-day) funds].

Applicable Time:

[ ]

Time of Delivery:

[ ]

Closing Location for Delivery of Securities:

[New York, New York].

Additional Closing Conditions:

[ ]

Additional Opinions:

[ ]

Names and Addresses of Underwriters, Including the Representatives:

[ ]

Listing:

[ ]

Payment of Expenses by Company and by the Underwriters:

[ ]

Selling Restrictions:

[Specify applicable additional selling restrictions, if any.]

Other Terms:

"Underwriter Information" shall mean the statements set forth in [(i) the last paragraph of the cover page regarding delivery of the Securities, (ii) the names of the Underwriters, (iii) the sentences under the heading "Underwriting" related to concessions and reallowances, (iv) the paragraph under the heading "Underwriting" related to stabilization, syndicate covering transactions and penalty bids and (v) the paragraph under the heading "Underwriting" related to settlement], in the Pricing Prospectus and the Prospectus.

Jurisdictions Specified Pursuant to Section 5(b) of the Underwriting Agreement: [None] *[Specify]*.

Jurisdictions Specified Pursuant to Section 5(d) of the Underwriting Agreement: [United States] *[Other Jurisdictions]*.

[The information that is in an electronic road show related to the Securities[, a copy of which is attached hereto,] is hereby approved pursuant to Section 6(b)(C) of the Underwriting Agreement.]

[Spanish counsel for the Underwriters shall furnish to the Representatives such written opinion or opinions as are specified in Section 8(b) of the Underwriting Agreement.]

Appendix A

[Insert final term sheet relating to the Securities.]

Appendix B

Issuer Free Writing Prospectus(es):

Final Term Sheet dated [ ]

Schedule 8(c)

Form of Opinion of U.S. Counsel
in connection with Section 8(c) of the Underwriting Agreement

[Insert form of opinion of Davis Polk & Wardwell LLP]

Schedule 8(d)

Form of Opinion of Spanish Counsel
in connection with Section 8(d) of the Underwriting Agreement

[Insert form of opinion of J&A Garrigues, SLP]

Schedule 8(e)

Form of Auditors' Comfort Letter
in connection with Section 8(e) of the Underwriting Agreement

[Insert form of comfort letter]

Schedule 8(j)

Form of Certificate
in connection with Section 8(j) of the Underwriting Agreement

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.
OFFICER'S CERTIFICATE PURSUANT TO SECTION 8(j)
OF THE UNDERWRITING AGREEMENT

[Date]

The undersigned, [ ], does hereby certify, pursuant to Section 8(j) of the underwriting agreement dated [ ], 20[ ] (the "Underwriting Agreement") incorporated by reference in the Pricing Agreement dated [ ], 20[ ] (the "Pricing Agreement"), between Banco Bilbao Vizcaya Argentaria, S.A., a *sociedad anónima* incorporated under the laws of the Kingdom of Spain (the "Company"), on the one hand, and the Underwriters named therein (the "Underwriters"), on the other hand, on behalf of the Company and to the best of [his] [her] knowledge, after reasonable investigation, that:

(i) attached hereto as **Exhibit A** is a true, complete and correct copy of the By-laws (*Estatutos*) of the Company as in full force and effect at all times since [●], to and including the date hereof; the Company is as of this date in good standing under Spanish law; no amendment or other document modifying or affecting the *Estatutos* has been filed with the office of the Mercantile Registry of Vizcaya since the filing on [●];

(ii) attached hereto as **Exhibit B** [is/are] a true, complete and correct specimen[s] of the global certificate[s] representing the Securities;

(iii) the representations and warranties of the Company in the Underwriting Agreement are accurate at and as of the [Time of Delivery];

(iv) the Company has performed all of its obligations under the Underwriting Agreement to be performed at or prior to the [Time of Delivery];

(v) the Final Term Sheet[, together with [*list any other Issuer Free Writing Prospectuses listed in an appendix to the Pricing Agreement*] and [*list any other "free writing prospectus", as defined in Rule 405 under the Act, that the parties to the Underwriting Agreement have expressly agreed in writing to treat as part of the Pricing Disclosure Package*],] has been filed with the Commission within the applicable time period prescribed for such filing by Rule 433(d) under the Act and the Prospectus as amended or supplemented in relation to such Securities has been filed with the Commission pursuant to Rule 424 (b) under the Act within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 5(a) of the Underwriting Agreement; no stop order suspending the effectiveness of the Registration Statement or any part thereof or suspending the use of the Prospectus or any Issuer Free Writing Prospectus, has been issued and no proceeding for that purpose has been initiated or, to the knowledge of the Company, threatened by the Commission; and all requests for additional information on the part of the Commission have been complied with; and

(vi) except as contemplated in the Prospectus, as amended or supplemented, since the Applicable Time there has not occurred (i) any change or decrease specified in the letter or letters referred to in Section 8(e) of the Underwriting Agreement or (ii) any change, or any development involving a prospective change, in or affecting the financial condition, earnings, business, operations, prospects or properties of the Company, taken as a whole, whether or not arising from transactions in the ordinary course of business *[the following to be added, if applicable]* [, and at or after the Applicable Time, no rating of the Company's long-term subordinated debt has been lowered by Moody's, S&P or Fitch, and other than public announcements made prior to the Applicable Time, none of Moody's, S&P or Fitch has publicly announced that it has under surveillance or review with possible negative implications any rating of the Company's long-term subordinated debt].

Capitalized terms used but not defined herein shall have the meanings assigned to them in the Underwriting Agreement and the Pricing Agreement.

IN WITNESS WHEREOF, I have executed this certificate on behalf of the Company as of the date first written above.

By: _____
Name:
Title:

Exhibit 3.1

Banco Bilbao Vizcaya Argentaria, S.A.
Company Bylaws

TITLE I

GENERAL CHARACTERISTICS

Name, registered office, corporate purpose and duration of the Company

Article 1. Name.

The Company is called BANCO BILBAO VIZCAYA ARGENTARIA, S.A. (the "Bank" or the "Company") and will be governed by the law, these Company Bylaws and other provisions that are applicable.

Article 2. Registered office.

The Bank has its registered office in the city of Bilbao (Vizcaya), Plaza de San Nicolas no. 4, and may set up branch, agency, regional and representative offices anywhere in Spain or abroad, pursuant to prevailing legal provisions.

The registered office address may be changed within the same municipal district by a Board of Directors' resolution.

Article 3. Corporate purpose

The Bank's corporate purpose is to engage in all kinds of activities, operations, acts, contracts and services within the banking business or directly or indirectly related to it, that are permitted or not prohibited by prevailing provisions and ancillary activities.

Its corporate purpose also includes the acquisition, holding, utilisation and divestment of securities, public offerings to buy and sell securities, and any kind of holdings in any company or enterprise.

Article 4. Duration and commencement of operations

The duration of the Company will be for an indefinite period of time. It may commence its operations on the date on which the public deed of foundation is formalised.

The English version is a translation of the original in Spanish for information purposes only. In the event of discrepancy, the Spanish original will prevail.

TITLE II

SHARE CAPITAL. SHARES. SHAREHOLDERS.

Chapter One

On Share Capital

Article 5. Share capital.

The Bank's share capital stands at THREE BILLION, ONE HUNDRED AND SEVENTY FIVE MILLION, THREE HUNDRED AND SEVENTY FIVE THOUSAND, THREE HUNDRED AND EIGHTY THREE EUROS, TWENTY FIVE EURO CENTS (€3,175,375,383.25), represented by SIX BILLION, FOUR HUNDRED AND EIGHTY MILLION, THREE HUNDRED AND FIFTY SEVEN THOUSAND, NINE HUNDRED AND TWENTY FIVE (6,480,357,925) shares each with a nominal value of FORTY NINE EURO CENTS (€0.49), all of the same class and series, fully subscribed and paid up.

Article 6. Capital increase or reduction.

The Bank's capital may be increased or decreased by resolution of the General Meeting. Notwithstanding the provisions of article 30 in section c) and d) of these Company Bylaws.

The share capital may be increased by issuing new shares or by increasing the nominal value of pre-existing shares. In both cases, the exchange value of the increase in capital may consist both of new cash or non-cash contributions to the Company's net assets, including the set-off of credits against the Company, or a charge against earnings or reserves that already appeared on the latest balance sheet approved.

When share capital is increased by issuance of new ordinary or preference shares payable in cash, shareholders will be entitled to subscribe a number of shares proportional to the nominal value of the shares they own, within the period granted to them for this purpose by the Company's Board of Directors. This period will be not less than fifteen days from the publication of the announcement of the offering for subscription of the new shares in the Official Gazette of the Companies Registry (BORME).

The pre-emptive subscription rights will be transferable under the same conditions as the shares from which they derive. When share capital is increased by a charge against reserves, the same rule will apply to the rights of free allocation of the new shares

Pre-emptive subscription rights will not apply when the increase of capital is due to the take-over of another company or of all or part of the split-off assets of another company or the conversion of debentures into shares.

When the interests of the Company so require, the General Meeting deciding on a capital increase to totally or partially eliminate pre-emptive subscription rights, pursuant to legally established requirements.

Chapter Two

On Shares

Article 7. Representation of shares

Shares will be represented by book entries governed by the provisions of the Securities Exchange Act and any other applicable provisions.

Article 8. Registration of shares

Shares, and their transfer and the constitution of collateral rights or any other kind of encumbrances on them, will be registered in the appropriate accounting record pursuant to the Securities Exchange Act and concordant provisions.

However, as the Bank's shares are nominative, the company will keep its own record of shareholders with the effects and efficacy attributed to it in each case by prevailing regulations. For this purpose, if the shareholders' formal status is that of persons or entities that, pursuant to their own legislation, hold the shares under a fiduciary relationship, trust or any other equivalent title, the Company may require said persons or entities to notify it of the final owners of the shares and any acts of transfer of and encumbrance on them.

Article 9. Capital at call

Where any shares are not paid up in full, shareholders must pay the undisbursed part at the time that the Board of Directors may determine, within a maximum period of five years from the date of the resolution to increase the capital. The form and other circumstances of the disbursement will be subject to the provisions in the resolution to increase the capital.

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The capital calls will be notified to the shareholders affected or will be announced in the Official Gazette of the Companies Registry (BORME). There must be at least one month between the date of sending the notification or the publication of the announcement and the payment date.

Shareholders in default of capital calls may not vote. The amount of their shares will be subtracted from the share capital for calculating quorum. Shareholders in default will not be entitled to collect dividends or to pre-emptive subscription of new shares or convertible debentures.

Should the payment term indicated elapse without payment having been made, depending on each case and taking into account the nature of the disbursement not made, the Bank may either demand compliance with the obligation to disburse the capital and the legal interest payment plus the damages caused by the delay or else proceed to the transfer of the shares on behalf of the defaulting shareholder. In that case, the transfer of the shares will be verified by a member of the official secondary market on which the shares were listed, or otherwise by a notary public. Where appropriate, the original share certificate may then be replaced with a duplicate.

Were the sale to take place, the proceeds (minus expenses) will become the Bank's and be applied to covering the amount of the capital call against the cancelled shares. If there is a surplus, it will be delivered to the holder.

If the sale cannot take place, the shares will be redeemed, and the share capital reduced accordingly. The amounts already paid up will remain on the Company's books.

Should partially paid-up shares be transferred, the acquiring shareholder, together with all the preceding transferors, at the choice of the Board of Directors, will be jointly and severally liable for paying the capital call. The transferor's' liability will persist for three years after the transfer date.

The prescriptions of this article will not prevent the Bank from using any remedies against the defaulting shareholders that are available under applicable law.

Article 10. Multiple ownership

All the shares are indivisible. When, as a result of inheritance, legacy or other title, the ownership of a share was vested in two or more persons, the co-owners, albeit subject to article 24 of these Company Bylaws will have to appoint just one person to exercise the shareholder's rights. The co-owners will be jointly and severally liable to the Company for any

obligations stemming from their status as shareholders. If no agreement is reached on such appointment, or in the event of silence, the representation will be deemed to be attributed to the holder of the largest number of shares. Should the holders own the same number of shares, the Bank will make the appointment by drawing lots.

The same rule will apply to other cases of joint ownership of rights over shares.

Article 11. Transfer of shares

Company shares will be freely transferable. Transfer will be performed by changes to book entries. Registering the transfer in the accounting record to the name of the purchaser will produce the same effects as exchange of traditional share certificates.

The legitimacy of the transfer necessary to enforce the rights stemming from the shares can be accredited by exhibiting the certificate issued by the Bank or authority in charge of the accounting record on which the shares are registered.

Article 12. Robbery, theft, misplacement or destruction of certificates issued from the accounting record

If certificates of shareholder status are mislaid, stolen or destroyed, issuance of new certificates to replace the original copies will be subject to the regulations applicable to the system of representing shares by book entries.

Article 13. Non-voting shares

The Company may issue shares with no voting rights within the legally established limits. Their holders will be entitled to receive a minimum fixed or variable annual dividend as resolved by the General Meeting and/or the Board of Directors at the time of deciding to issue the shares. Once the minimum dividend has been agreed upon, holders of non-voting shares will be entitled to the same dividend as holders of ordinary shares. If there are distributable earnings, the Company is obliged to agree to distribute the minimum divided mentioned above. If there are no distributable earnings or they are insufficient, the unpaid part of the minimum dividend will accumulate or not, pursuant to the terms agreed by the General Meeting at the time of deciding to issue the shares.

Holders of non-voting shares may exercise their pre-emptive subscription right should the General Meeting and/or the Board of Directors so resolve at the time of issuing shares or share-convertible debentures. Recovery of voting rights must be resolved at the same time.

Article 13.bis Redeemable shares

The Company may issue shares that are redeemable at the request of the issuing company or of the holders of such shares or of both, for a nominal amount not greater than one quarter of the share capital. The issue resolution will set the conditions for enforcing the redemption right. If the redemption right was attributed exclusively to the issuer, it may not be enforced until three years have elapsed since the issue.

Redeemable shares must be fully paid up at the time of subscription.

Redemption of redeemable shares must be charged to earnings or to free reserves or be made with the proceeds of a new share issue made under a resolution from the General Meeting or, as the case may be, from the Board of Directors, for the purpose of financing the redemption transaction. If the redemption of these shares is charged to earnings or to free reserves, the Company must set up a reserve for the amount of the nominal value of the shares redeemed. If the redemption is not charged to earnings or free reserves or made with the issuance of new shares, it may only be carried out under the requirements established for the reduction of share capital by refunding contributions.

Article 13.ter Privileged shares

The Company may issue shares that confer some privilege over ordinary shares under the legally established terms and conditions, complying with the formalities prescribed for amending the Company Bylaws.

Chapter Three

On Shareholders

Article 14. General principles

Shareholders' rights and obligations, their content and scope, limits and conditions, will be governed by the provisions of these Company Bylaws and, where applicable, by current regulations.

Holding one or more shares will imply that the shareholder accepts these Company Bylaws and the resolutions of the General Meeting and of the Board of Directors. This does not undermine their right to challenge established by law.

The English version is a translation of the original in Spanish for information purposes only. In the event of discrepancy, the Spanish original will prevail.

Shareholders, and the Company, waiving their own jurisdiction, are expressly subject to the court jurisdiction pertaining to the Company's registered office for any matters that arise between them.

Article 15. Rights of shareholders

The following are rights of the Bank's shareholders. They may be exercised within the terms and conditions and with the limitations set out in these Company Bylaws:

a) The right to participate in the distribution of corporate earnings and any net assets resulting from liquidation proportionally to the capital paid up.

b) The right of pre-emptive subscription over issues of new shares or debentures convertible into shares.

c) The right to attend General Meetings, in accordance with article 23 of these Company Bylaws, and to vote at them, except for holders of non-voting shares, and also to challenge corporate resolutions.

d) The right to call for annual or extraordinary General Meetings, under the terms and conditions laid down by law and these Company Bylaws.

e) The right to examine the annual financial statements, the management report, the proposed allocation of profit or losses and the auditors' report, and also, where applicable, the consolidated financial statement and management report, in the manner and within the time limit set out in article 29 of these Company Bylaws.

f) The right to information, pursuant to applicable legislation and these Company Bylaws.

g) The right to obtain certification of the resolutions and the minutes of the General Meetings for shareholders and shareholder proxies who have attended the General Meeting.

h) In general, all rights that may be recognised by legal provisions or by these Company Bylaws.

Article 16. Obligations of shareholders

The obligations of the shareholders are:

a) To submit to the Company Bylaws and to the resolutions of General Meetings, of the Board of Directors and other bodies of governance and administration.

b) To put up the percentage of capital pending disbursement, when so required.

c) To accept the Bank's registered office as determining jurisdiction for the resolution of any differences between the shareholder, as such, and the Company, waiving any right to seek remedy in courts elsewhere.

d) Other obligations laid down by legal provision or by these Company Bylaws.

TITLE III

ON CORPORATE BODIES

Article 17. Number

The supreme bodies responsible for decision-making, representation, administration, supervision and management of the Company are the General Meeting and the Board of Directors, and within the Board's scope of powers, the Executive Committee and other Board Committees.

Chapter One

On the Shareholders' General Meeting

Article 18. The General Meeting as sovereign body

The General Meeting, legally constituted, is the Company's sovereign body. Its resolutions, when validly adopted, are binding on all shareholders, including shareholders not attending the General Meeting and those shareholders who voted against resolutions, did not have a vote or abstained from voting.

Article 19. Categories of General Meetings

General Meetings of Shareholders may be annual or extraordinary. The annual General Meeting, convened as such, will necessarily meet within the first six months of each year. It will approve, where approval is forthcoming, to the corporate management and the financial statements for the previous year and resolve as to the allocation of profits or losses. It will also be able to resolve on any other matters on the agenda or allowed by law, within the

scope of its powers, provided that the General Meeting is attended by the number of shareholders and the percentage of capital required by law or the Company Bylaws in each case.

Any General Meeting other than the one provided for in the previous paragraph will be considered an extraordinary General Meeting.

Article 20. Notice of meeting

General Meetings will be called at the initiative of the Company's Board of Directors whenever it deems necessary or advisable for the Company's interests, and in any case on the dates or within the periods determined by law and these Bylaws.

If requested by one or several shareholders representing at least three per cent of the share capital, the Board of Directors must also convene a General Meeting. The requisition must expressly state the matters to be dealt with. In such event, the Board of Directors must call the General Meeting so that it is held within the legally established period as of the date on which the Board of Directors is served duly attested notice to call it. The agenda must without fail include the matters to which the request for a Meeting referred.

Likewise, in the period and form established by law, shareholders representing at least three per cent of the share capital may request publication of a supplement to the notice of meeting for an Annual General Meeting, including one or more items on the agenda in the notice, providing the new items are accompanied by substantiation or, as appropriate, a substantiated proposed resolution, and submit substantiated proposals for resolutions on matters already included or that should be included in the agenda of the notice of meeting for the General Meeting being convened.

Article 21. Form and content of the notice of meeting

Annual and extraordinary General Meetings must be convened by means of an announcement published in the Official Gazette of the Companies Registry (BORME) or one of the highest-readership daily newspapers in Spain, within the notice period required by law, as well as being disseminated on the CNMV (securities exchange authority) website and the Company website, except when legal provisions establish other media for disseminating the announcement.

The announcement will indicate the date, time and place of the General Meeting at first summons and its agenda, which will contain all the matters that the Meeting will cover, and any other references that may be required by law. The date on which the General Meeting will be held at second summons may also be stated in the announcement.

At least twenty-four hours must be allowed to elapse between the Meetings held at first and second summons.

The Board of Directors may consider the technical media and legal bases that enable and guarantee remote attendance at the General Meeting. When convening each General Meeting, it may evaluate the possibility of organising attendance over remote media.

Article 22. Place

Notwithstanding what is laid down by law for Universal General Meetings, General Meetings will be held in the municipal district where the Company has its registered office on the date indicated in the notice of meeting, and their sessions may be extended for one or more consecutive days at the proposal of the Board of Directors or at the request of a number of shareholders representing at least one quarter of the capital present at the Meeting. General Meetings may also be transferred to a place other than that indicated in the notice of meeting, within the same municipal district, with the knowledge of those present, in the event of *force majeure*.

Article 23. Right of attendance

Holders of 500 or more shares whose ownership is registered in the respective accounting record at least five days before the day on which the Meeting is scheduled, pursuant to the Securities Exchange Act and other applicable provisions, and who conserve at least that number of shares until the Meeting is held, may attend annual and extraordinary General Meetings.

Holders of fewer shares may group together until they make up at least that number, appointing their representative.

Each shareholder entitled to attend who so requests will be given a card with their name on it, indicating how many shares they hold.

Executives, managers and staff of the Company and its associated undertakings may attend, as may anyone authorised by the Chairman of the General Meeting. The General Meeting reserves the right to revoke that authorisation.

Article 24. Proxies for the General Meeting

Any shareholder who is entitled to attend may be represented at the General Meeting by another person, who need not necessarily be a shareholder.

Proxy must be conferred specifically for each General Meeting, using the proxy form established by the Company, which will be recorded on the attendance card. A single shareholder may not be represented at the Meeting by more than one proxy, except under the circumstances provided in the Act for brokering institutions.

Likewise, authorisation may be conferred by means of remote communications that comply with the requirements laid down by law.

Proxies conferred by a fiduciary or merely apparent shareholder will be rejected.

Article 25. Quorum

Annual and extraordinary General Meetings will be validly constituted if the minimum quorum required by prevailing law is present for each of the various matters or business included on the agenda.

The above notwithstanding, in order to adopt resolutions on replacing the corporate purpose, the transformation, total spin off, winding up the Company and amending this second paragraph of this article, two-thirds of the subscribed voting capital must attend the General Meeting at first summons, or 60% of that capital at second summons.

Article 26. Chairman and Secretary of the General Meeting

The Chairman of the General Meeting will be Chairman of the Board of Directors. When this is not possible, it will be the Deputy Chairman. Should there be several Deputy Chairmen, the order established by the Board of Directors itself when appointing them will be followed. Otherwise, age seniority will prevail. When none of the above are available, the General Meeting will be chaired by the director appointed by the Board of Directors for that purpose. The Secretary of the Board will act as Secretary of the General Meeting, and when this is not possible, the Deputy Secretary. If this is not possible, the Secretary of the General Meeting will be the person the Board of Directors appoints in his/her stead.

Article 27. Attendance list

Once the Panel, which will comprise the Chairman and the Secretary of the General Meeting, is constituted, the attendance list will be drawn up. This will report the number of shareholders in attendance with voting rights, the number attending personally or by proxy, and the percentage of share capital that they all represent. For this task, the Panel may use two scrutineers appointed by the Board of Directors prior to the General Meeting from amongst the

shareholders. The attendance list will appear at the beginning of the minutes or will be attached to them as an appendix. It will be signed by the Secretary and countersigned by the Chairman. It may also be drawn up as a software application or hard file, and in either case the appropriate identification tag signed by the Secretary and countersigned by the Chairman will be placed across the sealed cover.

The Chairman of the General Meeting will declare whether or not the requirements for the valid constitution of the Meeting are met, deal with any queries, requests for clarification or complaints that arise regarding the attendance list, authorities conferred and proxies granted: examine, accept or reject new proposals regarding the matters on the agenda, pursuant to prevailing legal provisions, and direct deliberations, systematising, organising, curtailing and cutting off the interventions. In general, the Chairman is empowered to do everything necessary to optimise the way that the General Meeting is run and organised.

Article 28. Content of General Meetings

Only matters that are specifically indicated in the notice of meeting may be dealt with at annual and extraordinary General Meetings, except where otherwise laid down by law.

Article 29. Shareholders' right to information

Shareholders may request the Board of Directors for information or clarification that they deem necessary regarding the matters on the agenda or send in written questions they deem pertinent, until the fifth day before the General Meeting is scheduled. Shareholders may also request clarification that they deem pertinent about the publicly available information that the Company has filed with the CNMV (securities exchange authority) since the last General Meeting was held and regarding the auditor's report.

The directors are obliged to furnish the information requested pursuant to the above paragraph, in writing, up until the day on which the General Meeting is held.

During the General Meeting, Company shareholders may verbally request any information or clarification they deem advisable regarding the matters on the agenda. The may also request any clarification they deem necessary regarding the publicly accessible information submitted by the Company to the CNMV (securities exchange authority) since the last General Meeting and regarding the auditor's report. Should it not be possible to satisfy the shareholder's right to information there and then, the directors will be obliged to furnish the information requested, in writing and within seven days after the end of the General Meeting.

Directors will be obliged to provide the information requested under the provisions of this article, unless the information is unnecessary to safeguard shareholders' rights, or if there are objective reasons for considering that it could be used for purposes unrelated to the Company or if its release would harm the Company or associated companies.

Information may not be refused when the request is supported by shareholders representing at least one quarter of the capital.

Article 30. Powers of the General Meeting

The General Meeting has the following powers:

a. To amend the Company Bylaws, and to confirm and/or rectify the Board of Directors' interpretation of them.

b. To determine the number of seats on the Board of Directors, appoint, re-elect and dismiss Board members, and ratify or revoke any appointments by co-option made by the Board of Directors.

c. To increase or reduce the share capital, conferring authority, where appropriate, on the Board of Directors to indicate, within the maximum period, pursuant to law, the date or dates of such increase or reduction. The Board of Directors may enforce all or part of this authority or even refrain from enforcing it in consideration of market conditions, the situation of the Company itself or of any fact or event of social or economic importance that may make this advisable. It will report on its decision at the first General Meeting held when the period set for its enforcement has elapsed.

d. To confer authority on the Board of Directors to increase the share capital as laid down by law. When the General Meeting confers such authority, it may also grant powers to exclude the right pre-emptive subscription over the share issues referred to in the authority, pursuant to the terms and the requirements laid down by law.

e. To confer authority on the Board of Directors to amend the nominal value of shares representing the share capital, re-wording article 5 of the Company Bylaws.

f. To issue debentures or other securities recognising or creating debt and are convertible into shares, being also able to delegate to the Board of Directors the power to make such issues as well as exclude or limit the pre-emptive subscription rights, all in the terms and under the requirements laid down by Law.

g. To examine and approve the annual financial statements, the proposed allocation of profits or losses and the corporate management of each corresponding year, and the consolidated financial statements, where applicable.

h. To appoint, re-elect and dismiss the auditors.

The English version is a translation of the original in Spanish for information purposes only. In the event of discrepancy, the Spanish original will prevail.

i. To approve the acquisition, disposal or allocation of essential assets to another company. An asset is presumed essential whenever the amount of the transaction exceeds 25% of the value of the assets that appear in the last approved balance sheet.

j. To approve the transformation, merger, spin off, global assignment of assets and liabilities, dissolution and offshoring of the registered office.

k. To approve the transfer to subsidiaries of essential activities previously undertaken by the Company itself, even if the Company retains full control of the subsidiaries. Activities are presumed essential whenever the volume of the transaction exceeds 25% of the total assets on the balance sheet.

l. To approve transactions that are equivalent to the Company's liquidation.

m. To approve the final liquidation balance sheet.

n. To approve the Directors' remuneration policy in the terms established by Law.

o. To pronounce on any other matter reserved for the General Meeting by legal provision or by the Company Bylaws.

p. To approve its Regulations and any later amendments, pursuant to the Board of Director's proposals.

Article 31. Adoption of resolutions

At annual and/or extraordinary General Meetings, resolutions will be adopted with the majorities required by law and by these Company Bylaws.

Each voting share will confer the right to one vote on the holder present or represented at the General Meeting.

Shareholders who are not up to date in the payment of capital calls will not be entitled to vote, but only with regard to the shares whose capital calls have not been paid. Nor will holders of shares without voting rights.

Shareholders may grant voting proxy or vote by postal correspondence, e-mail or any other remote communication media, provided that the voter's identity is duly guaranteed, in accordance with the General Meeting Regulations.

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The Board of Directors may draw up suitable rules, means and procedures to instrument the voting process and the granting of proxy over remote media, complying with the requirements established by law.

Article 32. Minutes of General Meetings

The Secretary of the General Meeting will take the minutes, which will be entered in the Minute Book. They may be approved by the General Meeting itself at the end of the session, and failing that, within fifteen days, by the Chairman of the General Meeting and two scrutineers among the shareholders, one representing the majority and the other the minority.

The resolutions may be implemented as of the date on which the minutes are approved in which they are recorded.

The minutes will be signed by the Secretary and countersigned by the Chairman.

Any certificates issued in connection with the minutes, once approved, will be signed by the Secretary and, failing that, by the Deputy Secretary of the Board of Directors, and countersigned by the Chairman or, as the case may be, by the Deputy Chairman of the Board of Directors.

The Board of Directors may request the presence of a Notary Public to take minutes of the proceedings.

Chapter Two

On the Board of Directors

Article 33. Nature

The Board of Directors will be the natural body for the Company's representation, administration, management and oversight.

Article 33 bis. Remuneration.

Directorships will be remunerated.

The remuneration of directors for their directorship will comprise a fixed annual allocation, which will be distributed by the Board of Directors in the manner that the Board so

determines, in view of the conditions, duties and responsibilities of each director attributed by the Board and their membership of the various Committees. This may give rise to different amounts of remuneration for each director. The Board will also determine the timing and form in which this allocation is paid, which may include insurance and pensions schemes established at any time.

The amount of the annual allocation for the Board of Directors will be the amount that the General Meeting determines. This amount will remain in force until the General Meeting resolves its amendment, although the Board of Directors may reduce it in years when it deems fit.

Additional to this allocation, the directors' remuneration may also comprise the delivery of shares or share options or amounts benchmarked to the share performance. The application of this remuneration modality will require a General Meeting resolution, expressing, as forthcoming, the number of shares to be delivered, the strike price on the share options, the value of the shares to be benchmarked and how long this remuneration system will last.

Directors performing executive duties in the Company will be excluded from the remuneration system established in the foregoing paragraphs. Their remuneration will be regulated by article 50 bis of these Company Bylaws with the amount and conditions determined by the Board of Directors.

Article 34. Number and election

The Board of Directors will comprise a minimum of five members, and a maximum of fifteen, elected by the General Meeting, except as provided under article 37 of these Company Bylaws.

The General Meeting of Shareholders will determine the exact number of directors, within the stipulated limits.

Article 35. Requirements for directorship

Membership of the Board of Directors requires directors not to be in any of the circumstances of conflict of interest or prohibition laid down by law.

Article 36. Term of office and renewal

The term of office for members of the Board of Directors will be three years. Directors may be re-elected one or more times for periods of the same maximum length.

Article 37. Vacancies

If, during the term for which the directors were appointed, seats should fall vacant, the Board of Directors may nominate the persons who are to cover them. Their appointment will be put to the first General Meeting held after the nomination.

Article 38. Chairman and Secretary of the Board

The Board of Directors will appoint, from amongst its members, a chairman to chair the Board of Directors, and one or several deputy chairmen of the Board of Directors. It will also appoint, from amongst its members, the chairman and deputy chairman for the committees referred to in chapter four below.

Should it be impossible for the Chairman to perform his/her duties, or in his/her absence, they will be performed by the Deputy Chairman. Should there be several Deputy Chairmen, the order established by the Board of Directors on appointment will be followed. Otherwise, age seniority will prevail.

In the absence of a Deputy Chairman, the meeting will be chaired on that occasion by the director appointed for such purpose by the Board of Directors.

The Board of Directors will appoint a secretary from amongst its members, unless it resolves to commend such tasks to a non-board-member. It may also appoint a deputy secretary, who will stand in for the Secretary in the event of absence or impossibility. Otherwise, the Board of Directors will determine the substitute in each case.

Article 39. Powers of the Chairman

The Chairman will, in all events, be the Company's highest-ranking representative. In the performance of his/her office, he/she will have the following powers, in addition to those attributed by the law or these Company Bylaws:

a) To call General Meetings, following a Board of Directors resolution, and to chair them.

b) To direct the discussions and deliberations of the General Meeting, arranging the order of shareholders' interventions, and establishing the duration of each, in order to enable shareholders to take the floor and expedite proceedings.

c) To call and chair the Board of Directors, the Executive Committee and other Board Committees and Commissions of which he/she is a member.

The English version is a translation of the original in Spanish for information purposes only. In the event of discrepancy, the Spanish original will prevail.

d) To draft the meeting agendas for the Board of Directors, the Executive Committee and Board Committees and Commissions, and draw-up proposed resolutions to be submitted to them.

e) To direct the discussions and deliberations of the Board of Directors, the Executive Committee and Committees and Commissions.

f) To enforce the resolutions of the Board of Directors, the Executive Committee and the other Committees and Commissions. To such purpose, he/she will have the broadest powers of attorney, whatever authority is conferred on other directors by the corresponding corporate body to such effect.

Article 39 bis. Lead Director

If the Chairman of the Board of Directors holds the position of Executive Director, the Board of Directors, with the abstention of the executive directors, must appoint a Lead Director from among the independent directors. The Lead Director shall have the powers attributed by Law, by these Bylaws and by the Board of Directors Regulations.

Article 40. Board meetings and notice of meetings

The Board of Directors will meet whenever the Chairman or the Executive Committee deems fit, upon request from the Lead Director or from at least one quarter of the directors.

The Board of Directors will be called by the Chairman and, where this is not possible, by the Deputy Chairman in his/her stead. Should these persons be absent or unable to perform their duties for any reason, the Board of Directors will be called by the eldest director.

Directors constituting at least one third of the Board members may call a meeting, indicating the agenda, to be held in the municipal district where the Company offices are registered if, within one month of being so requested, the Chairman has failed to call a meeting without due cause.

Article 41. Quorum and adoption of resolutions

The Board of Directors will be validly constituted when the majority of its members are present or represented.

The English version is a translation of the original in Spanish for information purposes only. In the event of discrepancy, the Spanish original will prevail.

Resolutions will be adopted by an absolute majority of votes cast in person or by proxy, except as provided under articles 45 and 49 of these Company Bylaws.

Article 42. Proxy for Board meetings

A director who does not attend may delegate their proxy to another director. Non-executive directors may only delegate to other non-executive directors.

Article 43. Powers of the Board

The Board of Directors will have the broadest powers of attorney, administration, management and supervision. It is empowered to perform all manner of acts and enter into contracts relating to ownership and administration. In particular, its powers will include but are in no way limited to the following:

1. To carry out all transactions comprising the corporate purpose or help make its achievement possible, pursuant to article 3 of these Company Bylaws.
2. To resolve to call the General Meeting, notwithstanding the provisions of article 20 and 39.a) of these Company Bylaws.
3. To draft and propose the following for General Meeting approval: the annual financial statements, the management report and the proposed allocation of profits or losses and also, where applicable, the consolidated financial statements and management report for each financial year.
4. To implement the resolutions of the General Meeting and, where applicable and pursuant to legal provisions, appoint the persons who should grant the relevant public and private documents.
5. To interpret the Company Bylaws and fill any omissions, especially with regard to the article on corporate purpose, reporting the resolutions adopted to the General Meeting, where applicable.
6. To resolve on the creation, cancellation, relocation, transfer and other acts and transactions related to the Company's branch, regional and representation offices in and outside Spain.
7. To adopt the Company's internal regulations with powers to amend them.
8. To establish the administrative expenses and establish or agree on any ancillary services it deems necessary or advisable.

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9. To resolve on the distribution of interim dividends to the shareholders, before the respective financial year has ended and before the annual financial statements are adopted, pursuant to prevailing legislation.

10. To appoint and dismiss Bank employees, establishing their salaries and perquisites.

11. To determine the general conditions for discount, lending and guarantee deposit, and to approve any risk transactions it deems advisable and deal with any issues that arise in the Bank's business.

12. To represent the Bank before the state, regional, provincial, municipal authorities and bodies, publicly-owned entities, syndicates, public-law corporations, companies and individuals, and before ordinary and special courts and tribunals. It may file and defend suits, enforce rights, lodge claims and appeals of any kind to which the Bank is entitled, and abandon them when it deems fit.

13. To acquire, possess, divest, mortgage and encumber all categories of real estate assets, property rights of any type and with respect to such assets and rights, perform any acts and enter into any civil, mercantile or administrative contracts without exception. These may even include constituting, amending and cancelling mortgages and other property rights, as well as assigning, trading and transferring the Company's assets and liabilities.

14. To acquire, divest, swap, transfer, encumber, subscribe, offer any categories of moveable goods, securities, shares, debentures, make public bids to sell or acquire securities, and holdings in all kinds of companies and enterprises.

15. To constitute companies, associations, foundations, subscribing shares and/or holdings, putting up all categories of goods, and entering into contracts for mergers and cooperation of enterprises and/or businesses.

16. To give and receive loans and/or credit. These may be senior or secured with any kind of collateral, including mortgage.

17. To guarantee and/or secure Company or third-party obligations of all kinds.

18. To reach a settlement regarding all kinds of goods and rights.

19. To delegate all or any powers that are delegable pursuant to prevailing law, and to grant and revoke all kinds of general and special powers of attorney, with or without powers of substitution.

The English version is a translation of the original in Spanish for information purposes only. In the event of discrepancy, the Spanish original will prevail.

Article 44. Minutes of Board meetings

Once the minutes of the Board proceedings are adopted, they will be signed by the Secretary and countersigned by whoever chaired the meeting.

Any certified copies of the minutes, once approved, will be signed by the Secretary and, failing that, by the Deputy Secretary of the Board of Directors, and countersigned by the Chairman or, as the case may be, by the Deputy Chairman.

Chapter Three

On the Executive Committee

Article 45. Creation and composition

The Board of Directors may appoint an Executive Committee, with the favourable vote of two-thirds of its members and the corresponding entry in the Companies Registry. This will be composed of the directors that the Board nominates, whose positions will be renewed in the time, manner and number that the Board of Directors may decide.

The Executive Committee will be chaired by the Chairman, who will be a member of it by virtue of his/her office. Failing that,, it will be chaired by the Deputy Chairman or Deputy Chairmen of the Board of Directors who sit on the committee, following the order established under Article 38 of these Company Bylaws, and otherwise by the Executive Committee member that the Executive Committee determines. The Board of Directors will appoint a secretary, who may be a non-board member. In his/her absence, he/she will be replaced by the person appointed by those attending the respective meeting.

Article 46. Meeting and powers

The Executive Committee will meet as often as its Chairman or the person acting in his/her stead considers appropriate or at the request of a majority of its members. It will consider matters falling within the responsibility of the Board which the Board, pursuant to prevailing legislation or these Company Bylaws, resolves to entrust to it.

The English version is a translation of the original in Spanish for information purposes only. In the event of discrepancy, the Spanish original will prevail.

Article 47. Quorum and adoption of resolutions

The rules of article 41 of these Company Bylaws concerning the constitution of the Board of Directors and the adoption of its resolutions will be applicable to the Executive Committee.

Minutes and certified copies of the resolutions adopted will be subject to article 44 of these Bylaws.

Chapter Four

On Board Committees

Article 48. Board Committees

The Board of Directors, in order to better perform its duties, may create those Committees it deems necessary to assist it in matters corresponding to areas of its responsibility, determining their composition, assigning their members and establishing the functions of each.

The above notwithstanding, the Board of Directors must always have at least one permanent Audit Committee, Appointments Committee, Remuneration Committee and Risks Committee, with the composition and functions established by Law, by the Board of Directors Regulations and, when applicable, by their own regulations.

The Committees shall be governed by the provisions of the Law, by the Board of Directors Regulations and by their specific regulations, when applicable, which must be approved by the Board of Directors and, supplementary thereto, in as far as they are not incompatible with their nature, by the provisions relating to the running of the Board of Directors.

Chapter Five

On the Chief Executive Officer and General Management

Article 49. The Chief Executive Officer

The Board of Directors may, with the favourable vote of two-thirds of its members, appoint from amongst its members, one or more chief executive officers, with such powers as it considers appropriate and as may be delegated in accordance with the legal provisions and these Company Bylaws.

The English version is a translation of the original in Spanish for information purposes only. In the event of discrepancy, the Spanish original will prevail.

Article 50. General Management

The Board of Directors can set up one or several general management departments and nominate General Managers to operate them with the powers and functions that the Board of Directors may determine.

Article 50.bis

Directors who have executive functions in the Company attributed to them, whatever the nature of their legal relationship with it, will be entitled to receive remuneration for providing these services. This will consist of: a fixed amount, in keeping with the services and responsibilities of the post; a variable supplement and any reward schemes established in general for the senior management of the Bank. These may comprise delivery of shares or share options or remuneration indexed to the share price, subject to any requirements established by prevailing legislation. Their remuneration also includes benefits, such as the relevant retirement and insurance schemes and social security. In the event of severance not due to breach of duties, these directors will be entitled to compensation.

TITLE IV

ON THE FINANCIAL YEAR AND THE ALLOCATION OF PROFIT OR LOSSES

Article 51. Duration of the financial year

The accounting periods of the Company will be one year, coinciding with the calendar year, ending on 31st December.

Article 52. Annual financial statements

The annual financial statements and other accounting documents that must be submitted to the General Meeting for approval will be prepared in accordance with the chart of accounts established by prevailing provisions applicable to banking institutions.

The English version is a translation of the original in Spanish for information purposes only. In the event of discrepancy, the Spanish original will prevail.

The annual financial statements, the management report, the proposal for allocation of profit or losses, the auditors' report and, where applicable, the consolidated financial statements and management report, will be given the publicity that is determined at any time by prevailing provisions and these Company Bylaws.

Article 53. Allocation of profit or losses

The General Meeting will resolve on the allocation of profit or losses from the year, in accordance with the balance sheet approved.

Once the perquisites established by law or in these Company Bylaws have been covered, dividends may be paid out to shareholders and charged to the year's profit or to unrestricted reserves, in proportion to the capital they may have paid up, provided the value of the total net assets is not, or as a result of such distribution would not be, less than the share capital.

Article 53.bis

The General Meeting may resolve to pay out dividends (either charged against the year's earnings or against unrestricted reserves) and/or a share premium, in kind, provided that the goods or securities being distributed are standardised and sufficiently liquid or liquidatable. This condition will be presumed to have been met when securities are listed or are going to be listed for trading on a regulated market.

The previous paragraph will also be applicable to the return of contributions in the event of a reduction in share capital.

TITLE V

DISSOLUTION AND LIQUIDATION OF THE COMPANY

Article 54. Grounds of dissolution

The Bank will be dissolved under the circumstances laid down by prevailing legislation.

The English version is a translation of the original in Spanish for information purposes only. In the event of discrepancy, the Spanish original will prevail.

Article 55. Appointment of liquidators

Once a resolution has been adopted to dissolve the Company, the General Meeting will appoint the liquidators to wind it up. In addition to the powers expressly vested in them by prevailing law, they shall have any other powers the General Meeting resolves to confer upon them. The General Meeting will determine the rules the liquidators must follow in apportioning the Company's assets and will approve the financial statements of the liquidation until final settlement is reached.

Article 56. Liquidation

Once a resolution has been adopted to dissolve the Company, the liquidation period will commence. Although the Company will retain its legal status, the directors and other proxies will cease to have powers of attorney to enter into new contracts and contract new obligations, and the liquidators will take over the functions attributed to them by law.

The liquidation of the Company will be done in compliance with prevailing legal provisions.

Article 57. Distribution of Company assets

Until all the obligations are discharged, the Company assets may not be delivered to the shareholders unless a sum equivalent to the amount of the outstanding obligations has been reserved and placed in escrow for the creditors.

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Exhibit 4.2

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.,
as Issuer

THE BANK OF NEW YORK MELLON,
as Trustee, Security Registrar, Transfer Agent and Paying Agent

INDENTURE

Dated as of July 28, 2016

Senior Debt Securities

Reconciliation and tie between
Trust Indenture Act of 1939 (the "**Trust Indenture Act**")
and Indenture

	Trust Indenture Act Section	Indenture Section
§310	(a)(1)	6.08
	(a)(2)	6.08
	(a)(3)	Not Applicable
	(a)(4)	Not Applicable
	(a)(5)	6.08
	(b)	6.14
§311	(a)	6.12
	(b)	6.12
§312	(a)	7.01, 7.02
	(b)	7.02
	(c)	7.02
§313	(a)	7.03
	(b)	7.03
	(c)	7.03
	(d)	7.03
§314	(a)	7.04, 10.05
	(b)	Not Applicable
	(c)(1)	1.02
	(c)(2)	1.02
	(c)(3)	Not Applicable
	(d)	Not Applicable
	(e)	1.02
§315	(a)	6.01, 6.02
	(b)	6.03
	(c)	6.01, 6.02
	(d)	6.01, 6.02
	(e)	5.14
§316	(a)(last sentence)	1.01 ("Outstanding")
	(a)(1)(A)	5.12
	(a)(1)(B)	5.13
	(a)(2)	Not Applicable
	(b)	5.08
	(c)	1.04
§317	(a)(1)	5.03
	(a)(2)	5.04
	(b)	10.03
§318	(a)	1.08

Note: This reconciliation and tie shall not, for any purpose, be deemed to be part of the Indenture.

Attention should also be directed to Section 318(c) of the Trust Indenture Act, which provides that the provisions of Sections 310 to and including 317 are a part of and govern every qualified indenture, whether or not physically contained therein.

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SUPPLEMENTAL INDENTURES

INDENTURE, dated as of July 28, 2016 (the "**Indenture**"), between Banco Bilbao Vizcaya Argentaria, S.A., a *sociedad anónima* organized under the laws of the Kingdom of Spain (hereinafter called the "**Company**"), having its principal executive office located at Calle Azul 4, Madrid, Spain, and The Bank of New York Mellon, a New York banking corporation duly organized and existing under the laws of the State of New York, having its Corporate Trust Office located at 101 Barclay Street, New York, New York 10286, United States, and acting (except with respect to its role as Security Registrar) through its London Branch at One Canada Square, London E14 5AL, United Kingdom (in its capacity as trustee, the "**Trustee**", which term includes any successor Trustee).

RECITALS

The Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its senior unsubordinated unsecured debentures, notes or other evidences of indebtedness (hereinafter called the "**Securities**"), unlimited as to principal amount, to bear such rates of interest, to mature at such time or times, to be issued in one or more series and to have such other provisions as shall be fixed as hereinafter provided.

All things necessary to make this Indenture a valid agreement of the Company, in accordance with its terms, have been done.

This Indenture is subject to the provisions of the Trust Indenture Act of 1939, as amended, and the rules and regulations of the U.S. Securities and Exchange Commission promulgated thereunder that are required to be part of this Indenture and, to the extent applicable, shall be governed by such provisions.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders (as herein defined) thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Securities or of any series thereof (as herein defined) as follows:

ARTICLE 1
Definitions and Other Provisions of General Application

Section 1.01. *Definitions.* Except as otherwise expressly provided in or pursuant to this Indenture or unless the context otherwise requires, for all purposes of this Indenture:

(a) the terms defined in this Article have the meanings assigned to them in this Article, and include the plural as well as the singular;

(b) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, have the meanings assigned to them therein;

(c) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board;

(d) the words "**herein**", "**hereof**", "**hereto**" and "**hereunder**" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision; and

(e) the word "**or**" is always used inclusively (for example, the phrase "A or B" means "A or B or both", not "either A or B but not both").

Certain terms used principally in certain Articles hereof are defined in those Articles.

"**Act**", when used with respect to any Holders, has the meaning specified in Section 1.04.

"**Additional Amounts**" means any additional amounts which are payable under Section 10.04 by the Company in respect of certain taxes withheld from payments to Holders.

"**Affiliate**" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control", when used with respect to any

specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have the meanings correlative to the foregoing.

"**Amounts Due**" with respect to the Securities of a series means the principal amount of or outstanding amount (if applicable), together with any accrued but unpaid interest, Additional Amounts, premium (if any) and sinking fund payments (if any) due on the Securities of such series. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of the Spanish Bail-in Power (as defined herein) by the Relevant Spanish Resolution Authority (as defined herein).

"**Authenticating Agent**" means any Person authorized by the Trustee pursuant to Section 6.13 to act on behalf of the Trustee to authenticate Securities of one or more series.

"**Authorized Newspaper**" means a newspaper, in an official language of the place of publication or in the English language, customarily published on each day that is a Business Day in the place of publication, whether or not published on days that are Legal Holidays in the place of publication, and of general circulation in each place in connection with which the term is used or in the financial community of each such place. Where successive publications are required to be made in Authorized Newspapers, the successive publications may be made in the same or in different Authorized Newspapers in the same city meeting the foregoing requirements and in each case on any day that is a Business Day in the place of publication.

"**Board of Directors**" means the board of directors of the Company or any committee or Person of that board duly authorized to act generally or in any particular respect for the Company hereunder.

"**Board Resolution**" means a copy of one or more resolutions, certified by the Secretary or an Assistant Secretary or any Person duly authorized of the Company to have been duly adopted by the relevant Board of Directors and to be in full force and effect on the date of such certification, delivered to the Trustee.

"**BRRD Liability**" means any liability, commitment, duty, responsibility, amount payable or contingency or other obligation arising from, or related to, this Indenture which may be subject to the exercise of the Spanish Bail-in Power (as defined below) by the Relevant Spanish Resolution Authority (as defined below).

"**Business Day**", with respect to any Place of Payment or other location, means each Monday, Tuesday, Wednesday, Thursday and Friday that is not a Legal Holiday in such Place of Payment or other location, except as may otherwise be provided in the form of Securities of any particular series pursuant to the provisions of this Indenture.

"**Commission**" means the Securities and Exchange Commission, as from time to time constituted, created under the Securities Exchange Act of 1934, as amended, or, if at any time after the execution of this Indenture such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

"**Company**" means the Person named as the "Company" in the first paragraph of this instrument until a successor Person shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Company" shall mean such successor Person, and any other obligor upon the Securities.

"**Company Request**" and "**Company Order**" mean, respectively, a written request or order, as the case may be, signed in the name of the Company by any member of the Board of Directors, the President, a Vice President, the Treasurer, an Assistant Treasurer, the Secretary, an Assistant Secretary or other representative of the Company, in each case empowered to do so by a Board Resolution, and delivered to the Trustee.

"**Conversion Event**" means the cessation of use of (i) a Foreign Currency both by the government of the country which issued such Currency and for the settlement of transactions by a central bank or other public institutions of or within the international banking community, or (ii) the euro both within the European monetary system and for the settlement of transactions by public institutions of or within the European Union.

"**Corporate Trust Office**" means the principal corporate trust office of the Trustee at which, at any particular time, its corporate trust business shall be administered, which principal corporate trust office at the date hereof is located at 101 Barclay Street, New York, NY 10286 and the Indenture will be administered by The Bank of New York Mellon acting (except with respect to its role as Security Registrar) through its London Branch at One Canada Square, London E14 5AL, United Kingdom or such other location in New York or England as notified by the Trustee to the Company from time to time.

"**Corporation**" includes corporations and, except for purposes of Article 8, associations, companies and business trusts.

"**Currency**", with respect to any payment, deposit or other transfer in respect of the principal of or any premium or interest on or any Additional Amounts with respect to any Security, means Dollars, unless otherwise expressly provided.

"**Defaulted Interest**" has the meaning specified in Section 3.07.

"**Dollars**" or "**$**" means a dollar or other equivalent unit of legal tender for payment of public or private debts in the United States of America.

"**Early Intervention**" means, with respect to any Person, that any Relevant Spanish Resolution Authority or the European Central Bank, shall have announced or determined that such Person has or shall become the subject of an "early intervention" (*actuación temprana*) as such term is defined in Law 11/2015 (as defined herein).

"**Event of Default**" has the meaning specified in Section 5.01.

"**Foreign Currency**" means any currency, currency unit or composite currency, including, without limitation, the euro, issued by the government of one or more countries other than the United States or by any confederation or association of such governments.

"**Global Security**" means a Security evidencing all or part of the Securities of a series, bearing the legend set forth in Section 2.04 (or such legend as may be specified as contemplated in Section 3.01 for such Securities), authenticated and delivered to the Holder and registered in the name of the Holder or its nominee.

"**Holder**" means the Person in whose name a Security is registered in the Security Register.

"**Indenture**" means this instrument as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof and, with respect to any Security, by the terms and provisions of such Security established pursuant to Section 3.01 (as such terms and provisions may be amended pursuant to the applicable provisions hereof).

"**Independent Public Accountants**" means accountants or a firm of accountants that, with respect to the Company and any other obligor under the Securities, are independent public accountants within the meaning of the Securities Act of 1933, as amended, and the rules and regulations promulgated by the Commission thereunder, who may be the independent public accountants regularly retained by the Company or who may be other independent public accountants. Such accountants or firm shall be entitled to rely upon any Opinion of Counsel as to the interpretation of any legal matters relating to this Indenture or certificates required to be provided hereunder.

"**Indexed Security**" means a Security the terms of which provide that the principal amount thereof payable at Stated Maturity may be more or less than the principal face amount thereof at original issuance.

"**Interest**", with respect to any Original Issue Discount Security which by its terms bears interest only after maturity, means interest payable after Maturity. All references in this Indenture to "interest" payable or to be paid in respect of any series of Securities, except as otherwise expressly provided or where the context otherwise requires, shall be deemed to include any Additional Amounts payable in respect of such series of Securities.

"**Interest Payment Date**", with respect to any Security, means the Stated Maturity of an installment of interest on such Security.

"**Law 11/2015**" means Spanish Law 11/2015 of June 18, on the Recovery and Resolution of Credit Institutions and Investment Firms (*Ley 11/2015 de 18 de junio, de Recuperación y Resolución de Entidades de Crédito y Empresas de Servicios de Inversión*), as amended, replaced or supplemented from time to time.

"**Legal Holiday**", with respect to any Place of Payment or other location, means a Saturday, a Sunday or a day on which banking institutions in such Place of Payment or other location are not open for general business.

"**Maturity**", with respect to any Security, means the date on which the principal of such Security or an installment of principal becomes due and payable as provided in or pursuant to this Indenture, whether at the Stated Maturity or by declaration of acceleration, notice of redemption or repurchase, notice of option to elect repayment or otherwise, and includes the Redemption Date.

"**OECD**" means the Organization for Economic Co-operation and Development.

"**Office**" or "**Agency**", with respect to any Securities, means an office or agency of the Company maintained or designated in a Place of Payment for such Securities pursuant to Section 10.02 or any other office or agency of the Company maintained or designated for such Securities pursuant to Section 10.02 or, to the extent designated or required by Section 10.02 in lieu of such office or agency, the Corporate Trust Office of the Trustee.

"**Officer's Certificate**" means a certificate signed by the Chairman of the Board of Directors, a Vice Chairman, the President, a Vice President, the Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary or any Person duly authorized of the Company, that complies with the requirements of Section 314(e) of the Trust Indenture Act and is delivered to the Trustee.

"**Opinion of Counsel**" means a written opinion of counsel, who may be an employee of or counsel for the Company or other counsel who shall be reasonably acceptable to the Trustee, that, if required by the Trust Indenture Act, complies with the requirements of Section 314(e) of the Trust Indenture Act.

"**Original Issue Discount Security**" means a Security issued pursuant to this Indenture which provides for declaration of an amount less than the principal face amount thereof to be due and payable upon acceleration pursuant to Section 5.02.

"**Outstanding**", when used with respect to any Securities, means, as of the date of determination, all such Securities theretofore authenticated and delivered under this Indenture, except:

(i) any such Security theretofore cancelled by the Trustee or the Security Registrar or delivered to the Trustee or the Security Registrar for cancellation;

(ii) any such Security for whose payment at the Maturity thereof money in the necessary amount has been theretofore deposited pursuant hereto with the Trustee or any Paying Agent (other than the Company), in trust or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the Holders of such Securities, *provided* that, if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made;

(iii) any such Security with respect to which the Company has effected defeasance or covenant defeasance pursuant to the terms hereof, to the extent provided in Section 4.02; and

(iv) any such Security which has been paid pursuant to Section 3.06 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, unless there shall have been presented to the Trustee proof satisfactory to it that such Security is held by a protected purchaser in whose hands such Security is a valid obligation of the Company;

provided, however, that in determining whether the Holders of the requisite principal amount of Outstanding Securities of a series have given any request, demand, authorization, direction, notice, consent or waiver hereunder, (i) the principal amount of an Original Issue Discount Security that may be counted in making such determination and that shall be deemed to be Outstanding for such purposes shall be equal to the amount of the principal thereof that pursuant to the terms of such Original Issue Discount Security would be declared (or shall have been declared to be) due and payable upon a declaration of acceleration thereof pursuant to Section 5.02 at the time of such determination, (ii) the principal amount of any Indexed Security that may be counted in making such determination and that shall be deemed Outstanding for such purposes shall be equal to the principal face amount of such Indexed Security at original issuance, unless otherwise provided in or pursuant to this Indenture, (iii) the principal amount of a Security denominated in a Foreign Currency shall be the Dollar equivalent, determined on the date of original issuance of such Security, of the principal amount (or, in the case of an Original Issue Discount Security, the Dollar equivalent on the date of original issuance of such Security of the amount determined in (i) above) of such Security, and (iv) Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or such other obligor, shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in making any such determination or relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Securities which a Responsible Officer of the Trustee knows to be so

owned shall be so disregarded. Securities so owned which shall have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee (A) the pledgee's right so to act with respect to such Securities and (B) that the pledgee is not the Company or any other obligor upon the Securities or an Affiliate of the Company or such other obligor.

"**Paying Agent**" means any Person authorized by the Company to pay the principal of, or any premium or interest on, or any Additional Amounts with respect to, any Security on behalf of the Company.

"**Person**" means any individual, Corporation, limited liability company, partnership, joint venture, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"**Place of Payment**", with respect to any Security, means the place or places where the principal of, or any premium or interest on, or any Additional Amounts with respect to such Security are payable as provided in or pursuant to this Indenture.

"**Predecessor Security**" of any particular Security means every previous Security evidencing all or a portion of the same indebtedness as that evidenced by such particular Security; and, for the purposes of this definition, any Security authenticated and delivered under Section 3.06 in exchange for or in lieu of a lost, destroyed, mutilated or stolen Security shall be deemed to evidence the same indebtedness as the lost, destroyed, mutilated or stolen Security.

"**Procedimientos Concursales**" means, collectively, any proceedings relating to the insolvency (*concurso*), dissolution or winding up of the Company or any other proceeding which requires the application of the priorities provided by the Spanish Insolvency Law (*Ley Concursal*), the Spanish Commercial Code (*Código de Comercio*), the Spanish Civil Code (*Código Civil*) and any other applicable Spanish laws.

"**RD 1012/2015**" means Royal Decree 1012/2015 of November 6, by virtue of which Law 11/2015 is developed and Royal Decree 2606/1996 of December 20 on credit entities' deposit guarantee fund is amended, as amended, replaced or supplemented from time to time.

"**Redemption Date**", with respect to any Security or portion thereof to be redeemed, means the date fixed for such redemption by or pursuant to this Indenture.

"**Redemption Price**", with respect to any Security or portion thereof to be redeemed, means the price at which it is to be redeemed as determined by or pursuant to this Indenture.

"**Regular Record Date**" for the interest payable on any Security on any Interest Payment Date therefor means the date, if any, specified in or pursuant to this Indenture as the "Regular Record Date".

"**Relevant Spanish Resolution Authority**" means the Spanish Fund for the Orderly Restructuring of Banks (*Fondo de Restructuración Ordenada Bancaria*), the European Single Resolution Mechanism and, as the case may be, according to Law 11/2015, the Bank of Spain and the Spanish Securities Market Commission (CNMV), and any other entity with the authority to exercise the Spanish Bail-in Power (as defined below) from time to time.

"**Resolution**" means, with respect to any Person, that any Relevant Spanish Resolution Authority shall have announced or determined that such Person has or shall become the subject of a "resolution" (*resolución*) as such term is defined in Law 11/2015.

"**Responsible Officer**" means any officer of the Trustee in its Corporate Trust Office having direct responsibility for the administration of this Indenture and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"**Security**" or "**Securities**" means any note or notes, bond or bonds, debenture or debentures, or any other evidences of indebtedness, as the case may be, authenticated and delivered under this Indenture; *provided, however,* that, if at any time there is more than one Person acting as Trustee under this Indenture, "Securities", with respect to any such Person, shall mean Securities authenticated and delivered under this Indenture, exclusive, however, of Securities of any series as to which such Person is not Trustee.

"**Security Register**" and "**Security Registrar**" have the respective meanings specified in Section 3.05.

"**Spanish Bail-in Power**" means any write-down, conversion, transfer, modification, or suspension power existing from time to time under: (i) any law, regulation, rule or requirement applicable from time to time in the Kingdom of Spain, relating to the transposition or development of Directive 2014/59/EU of the European Parliament and the Council of the European Union of May 15, 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended, replaced or supplemented from time to time, including, but not limited to (a) Law 11/2015, (b) RD 1012/2015 and (c) Regulation (EU) No. 806/2014 of the European Parliament and of the Council of July 15, 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Resolution Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010, as amended, replaced or supplemented from time to time; or (ii) any other law, regulation, rule or requirement applicable from time to time in the Kingdom of Spain pursuant to which (a) obligations or liabilities of banks, investment firms or other financial institutions or their affiliates can be reduced, cancelled, modified, transferred or converted into shares, other securities, or other obligations of such Persons or any other Person (or suspended for a temporary period or permanently) or (b) any right in a contract governing such obligations may be deemed to have been exercised.

"**Special Record Date**" for the payment of any Defaulted Interest on any Security means a date fixed by the Trustee pursuant to Section 3.07.

"**Stated Maturity**" means, with respect to any Security or any installment of principal thereof or interest thereon or any Additional Amounts with respect thereto, the date established by or pursuant to this Indenture as the fixed date on which the principal of such Security or such installment of principal or interest is, or such Additional Amounts are, due and payable.

"**Subsidiary**" means any Corporation of which, at the time of determination, the Company or one or more Subsidiaries owns or controls directly or indirectly more than 50% of the shares of such Corporation's Voting Stock.

"**Trust Indenture Act**" means the Trust Indenture Act of 1939, as amended, and any reference herein to the Trust Indenture Act or a particular provision thereof shall mean such Act or provision, as the case may be, as amended, replaced or supplemented from time to time by rules or regulations adopted by the Commission under or in furtherance of the purposes of such Act or provision, as the case may be.

"**Trustee**" means the Person named as the "Trustee" in the first paragraph of this instrument until a successor Trustee shall have become such with respect to one or more series of Securities pursuant to the applicable provisions of this Indenture, and thereafter "Trustee" shall mean each Person who is then a Trustee hereunder; *provided, however,* that if at any time there is more than one such Person, "Trustee" shall mean each such Person and as used with respect to the Securities of any series shall mean the Trustee with respect to the Securities of such series, provided that the Trustee shall not be the Company or any other obligor upon the Securities or any Affiliate of the Company or such other obligor.

"**United States**", except as otherwise provided herein or in any Security, means the United States of America (including the states thereof and the District of Columbia), and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands).

"**U.S. Depository**" or "**Depository**" means, with respect to any Security issuable or issued in the form of one or more Global Securities, the Person designated as U.S. Depository or Depository by the Company in or pursuant to this Indenture, which Person must be, to the extent required by applicable law or regulation, a clearing agency registered under the Securities Exchange Act of 1934, as amended, and, if so provided with respect to any Security, any successor to such Person. If at any time there is more than one such Person, "**U.S. Depository**" or "**Depository**" shall mean, with respect to any Securities, the qualifying entity which has been appointed with respect to such Securities.

"**U.S. Government Obligations**" means securities which are (i) direct obligations of the United States in which the principal of or any premium or interest on such Security or any Additional Amounts in respect thereof shall be payable, in each case where the payment or payments thereunder are supported by the full faith and credit of the United States or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States where the timely payment or payments thereunder are unconditionally guaranteed as a full faith and credit obligation by the United States, which, in the case of (i) or (ii), are not callable or redeemable at the option of the issuer or issuers thereof, and shall also include a depository receipt issued by a bank or trust company as custodian with respect to any such U.S. Government Obligation or a specific payment of interest on or principal of or other amount with respect to any such U.S. Government Obligation held by such custodian for the account of the holder of a depository receipt, *provided* that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of interest on or principal of or other amount with respect to the U.S. Government Obligation evidenced by such depository receipt.

"**Vice President**" when used with respect to the Company or the Trustee, means any vice president or similar officer, whether or not designated by a number or a word or words added before or after the title "Vice President".

"**Voting Stock**" means stock or shares of a Corporation of the class or classes having general voting power under ordinary circumstances to elect at least a majority of the board of directors, managers or trustees of such Corporation *provided* that, for the purposes hereof, stock or shares which carry only the right to vote conditionally on the happening of an event shall not be considered voting stock whether or not such event shall have happened.

Section 1.02. *Compliance Certificates and Opinions.* Except as otherwise expressly provided in this Indenture, upon any application or request by the Company to the Trustee to take any action under any provision of this Indenture, the Company shall furnish to the Trustee an Officer's Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that, in the opinion of such counsel, all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents or any of them is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished. Each Officer's Certificate and Opinion of Counsel shall comply with the requirements of Section 314(e) under the Trust Indenture Act.

Section 1.03. *Form of Documents Delivered to Trustee.* In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the Company may be based, insofar as it relates to legal matters, upon an Opinion of Counsel, unless such officer knows, or in the exercise of reasonable care should know, that the opinion with respect to the matters upon which his certificate or opinion is based are erroneous. Any such Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Company stating that the information with respect to such factual matters is in the possession of the Company, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture or any Security, they may, but need not, be consolidated and form one instrument.

Section 1.04. *Acts of Holders; Meetings; Record Dates.* (a) Except as otherwise provided under this Indenture or the Trust Indenture Act, any request, demand, authorization, direction, notice, consent, waiver or other action provided by or pursuant to this Indenture to be given or taken by Holders of Securities of a series may be embodied in and evidenced by one or more written instruments of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Company. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein referred to as the "**Act**" of the Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Section 315 of the Trust Indenture Act) conclusive in favor of the Trustee, the Company and any agent of the Trustee or the Company, if made in the manner provided in this Section.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by a signer acting in a capacity other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner which the Trustee deems sufficient.

(c) The Company may set any day as a record date for the purpose of determining the Holders of Outstanding Securities of a series entitled to give, make or take any request, demand, authorization, direction, notice, consent, waiver or other action provided or permitted by this Indenture to be given, made or taken by Holders of Securities of such series; provided that the Company may not set a record date for, and the provisions of this Section 1.04(c) shall not apply with respect to, the giving or making of any notice,

declaration, request or direction referred to in Section 1.04(d). If any record date is set pursuant to this Section 1.04(c), the Holders of Outstanding Securities of the relevant series on such record date, and no other Holders, shall be entitled to take the relevant action, whether or not such Holders remain Holders after such record date; provided that no such action shall be effective hereunder unless taken on or prior to the applicable Expiration Date (as defined below) by Holders of the requisite principal amount of Outstanding Securities of such series on such record date. Nothing in this Section 1.04(c) shall be construed to prevent the Company from setting a new record date for any action for which a record date has previously been set pursuant to this Section 1.04(c) (whereupon the record date previously set shall automatically and with no action by any Person be cancelled and of no effect), and nothing in this Section 1.04(c) shall be construed to render ineffective any action taken by Holders of the requisite principal amount of Outstanding Securities of the relevant series on the date such action is taken. Promptly after any record date is set pursuant to this Section 1.04(c), the Company, at its own expense, shall cause notice of such record date, the proposed action by Holders and the applicable Expiration Date to be given to the Trustee in writing and to each Holder of Securities of the relevant series in the manner set forth in Section 1.06.

(d) The Trustee may set any day as a record date for the purpose of determining the Holders of Outstanding Securities of any series entitled to join in the giving or making of: (i) any declaration of acceleration referred to in Section 5.02; (ii) any request to institute proceedings referred to in Section 5.07(ii); or (iii) any direction referred to in Section 5.12, in each case with respect to Securities of such series. If any record date is set pursuant to this Section 1.04(d), the Holders of Outstanding Securities of such series on such record date, and no other Holders, shall be entitled to join in such notice, declaration, request or direction, whether or not such Holders remain Holders after such record date; provided that no such action shall be effective hereunder unless taken on or prior to the applicable Expiration Date by Holders of the requisite principal amount of Outstanding Securities of such series on such record date. Nothing in this Section 1.04(d) shall be construed to prevent the Trustee from setting a new record date for any action for which a record date has previously been set pursuant to this Section 1.04(d) (whereupon the record date previously set shall automatically and with no action by any Person be cancelled and of no effect), and nothing in this Section 1.04(d) shall be construed to render ineffective any action taken by Holders of the requisite principal amount of Outstanding Securities of the relevant series on the date such action is taken. Promptly after any record date is set pursuant to this Section 1.04(d), the Trustee, at the expense of the Company, shall cause notice of such record date, the proposed action by Holders and the applicable Expiration Date to be given to the Company in writing and to each Holder of Securities of the relevant series in the manner set forth in Section 1.06.

(e) With respect to any record date set pursuant to this Section with respect to the Securities of a series, the party or parties hereto which set such record date may designate any day as the "**Expiration Date**" and from time to time may change the Expiration Date to any earlier or later day; provided that no such change shall be effective unless notice of the proposed new Expiration Date is given to the other party or parties hereto in writing, and to each Holder of Securities of the relevant series in the manner set forth in Section 1.06, on or prior to the existing Expiration Date. Notwithstanding the foregoing, no Expiration Date shall be designated later than the 180th day after the applicable record date and, if an Expiration Date is not designated, with respect to any record date set pursuant to this Section, the party or parties hereto which set such record date shall be deemed to have designated the 180th day after such record date as the Expiration Date with respect thereto.

(f) The ownership, principal amount and serial numbers of Securities held by any Person, and the date of the commencement and the date of the termination of holding the same, shall be proved by the Security Register.

(g) Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Security shall bind every future Holder of the same Security and the Holder of every Security issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done or suffered to be done by the Trustee, any Security Registrar, any Paying Agent or the Company in reliance thereon, whether or not notation of such request, demand, authorization, direction, notice, consent, waiver or other Act is made upon such Security.

Section 1.05. *Notices, etc., to Trustee and Company.* (a) Any request, demand, direction, notice, or record of an Act of Holders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with, the Trustee by any Holder, or any request, demand, authorization, direction, notice, consent or waiver by the Company, shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to or with the Trustee at its Corporate Trust Office.

(b) Any record of an Act of Holders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with, the Company by the Trustee or any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to the Company addressed to the attention of Financial Department at Calle Azul 4, 28050 Madrid, Spain (finance.department@bbva.com), or at any other address previously furnished in writing to the Trustee by the Company.

Section 1.06. *Notice to Holders of Securities; Waiver.* (a) Except as otherwise expressly provided in or pursuant to this Indenture, where this Indenture provides for notice to Holders of Securities of any event, such notice shall be sufficiently given to Holders of Securities if in writing and mailed, first-class postage prepaid, to each Holder of a Security affected by such event, at his address as it appears in the Security Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such Notice.

(b) Any notice which is given in the manner provided in this Section 1.06 shall be conclusively presumed to have been duly given or provided. Without limiting the generality of the foregoing, in any case where notice to Holders of Securities is given by mail as provided by this Section 1.06, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder of a Security shall affect the sufficiency of such notice with respect to other Holders of Securities. In the case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice by mail, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

(c) Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders of Securities shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 1.07. *Language of Notices.* Any request, demand, authorization, direction, notice, consent, election or waiver required or permitted under this Indenture shall be in the English language, except that, if the Company so elects, any published notice may be in an official language of the country of publication.

Section 1.08. *Conflict with Trust Indenture Act.* If any provision hereof limits, qualifies or conflicts with a provision of the Trust Indenture Act that is required under such Act to be a part of and govern this Indenture, the provision of the Trust Indenture Act shall control. If any provision hereof modifies or excludes any provision of the Trust Indenture Act that may be so modified or excluded, the provision of the Trust Indenture Act shall be deemed to apply to this Indenture as so modified or to be excluded, as the case may be.

Section 1.09. *Effect of Headings and Table of Contents.* The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 1.10. *Successors and Assigns.* All covenants and agreements in this Indenture made by the Company shall bind its successors and assigns, whether so expressed or not.

Section 1.11. *Separability Clause.* In case any provision in this Indenture or any Security shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 1.12. *Benefits of Indenture.* Nothing in this Indenture or any Security, express or implied, shall give to any Person, other than the parties hereto, any Security Registrar, any Paying Agent and their successors hereunder and the Holders of Securities, any benefit, any legal or equitable right, remedy or claim under this Indenture.

Section 1.13. *Governing Law and Waiver of Jury Trial.* This Indenture and the Securities (except as set forth herein and therein) shall be governed by and construed under the laws of the State of New York applicable to agreements made or instruments entered into and, in each case, performed in said state, except that the authorization and execution by the Company of this Indenture, the authorization, issuance and execution by the Company of the Securities, the Securities as set forth therein and Section 3.11 hereof shall be governed by and construed in accordance with Spanish law. The parties hereto each hereby waive any right to trial by jury in any action, proceeding or counterclaim arising out of or relating to this Indenture or the Securities or any transaction related hereto or thereto to the fullest extent permitted by applicable law.

Section 1.14. *Legal Holidays.* In any case where any Interest Payment Date, Stated Maturity or Maturity of any Security, or the last date on which a Holder has the right to convert Securities of a series that are convertible, shall be a Legal Holiday at any Place of Payment, then (notwithstanding any other provision of this Indenture, any Security other than a provision in any Security that specifically states that such provision shall apply in lieu hereof) payment need not be made at such Place of Payment on such date, and such Securities need not be converted on such date but such payment may be made, and such Securities may be converted, on the next succeeding day that is a Business Day at such Place of Payment with the same force and effect as if made on the Interest Payment Date or at the Stated Maturity or Maturity, or on such last day for conversion and no interest shall accrue on the amount payable on such date or at such time for the period from and after such Interest Payment Date, Stated Maturity or Maturity, as the case may be.

Section 1.15. *Counterparts.* This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 1.16. *Appointment of Agent for Service; Submission to Jurisdiction.* The Company has designated and appointed Banco Bilbao Vizcaya Argentaria, S.A., New York Branch, 1345 Avenue of the Americas, 45th Floor, New York, New York 10105 as its authorized agent (the "**Authorized Agent**") upon which process may be served in any suit or proceeding in any U.S. federal or state court in the Borough of Manhattan, The City of New York arising out of or relating to the Securities or this Indenture, but for that purpose only, and agrees that service of process upon said Authorized Agent shall be deemed in every respect effective service of process upon it in any such suit or proceeding in any U.S. federal or state court in the Borough of Manhattan, The City of New York, New York. Such appointment shall be irrevocable so long as any of the Securities remain Outstanding until the appointment of a successor by the Company and such successor's acceptance of such appointment. Upon such acceptance, the Company shall notify the Trustee of the name and address of such successor. The Company further agrees to take any and all action, including the execution and filing of any and all such documents and instruments, as may be necessary to continue such designation and appointment of said Authorized Agent in full force and effect so long as any of the Securities shall be Outstanding. The Trustee shall not be obligated and shall have no responsibility with respect to any failure by the Company to take any such action. The Company hereby submits (for the purpose of any such suit or proceeding) to the jurisdiction of any such court in which any such suit or proceeding is so instituted, and waives, to the extent it may effectively do so, any objection it may have now or hereafter to the laying of the venue of any such suit or proceeding.

ARTICLE 2
SECURITIES FORMS

Section 2.01. *Forms Generally.* Each Security issued pursuant to this Indenture shall be substantially in the form set forth in Exhibits A and B hereto or in such other form established by or pursuant to a Board Resolution or in one or more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by or pursuant to this Indenture or any indenture supplemental hereto and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may, consistently herewith, be determined by the officers executing such Security as evidenced by their execution of such Security.

The Securities shall be issuable in registered form without coupons. Unless otherwise provided in or pursuant to this Indenture, the Securities shall not be issuable upon the exercise of warrants.

Definitive Securities shall be printed, lithographed or engraved or produced by any combination of these methods on a steel engraved border or steel engraved borders or may be produced in any other manner, all as determined by the officers of the Company executing such Securities, as evidenced by their execution of such Securities.

Section 2.02. *Form of Trustee's Certificate of Authentication.* Subject to Section 6.13, the Trustee's certificate of authentication shall be in substantially the following form:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

The Bank of New York Mellon, as Trustee

By: _____
Authorized Officer

Section 2.03. *Securities in Global Form.* The Securities may be issuable in global form, substantially in the form set forth in Exhibits B and C hereto or in such other form established by or pursuant to a Board Resolution or in one or more indentures supplemental hereto. If Securities of a series shall be issuable in global form, any such Security may provide that it or any number of such Securities shall represent the aggregate amount of all Outstanding Securities of such series (or such lesser amount as is permitted by the terms thereof) from time to time endorsed thereon and may also provide that the aggregate amount of Outstanding Securities represented thereby may from time to time be increased or reduced to reflect exchanges of interests in the Global Security for Securities issued in definitive form on the books and records of the Security Registrar. Any endorsement of any Global Security to reflect the amount, or any increase or decrease in the amount, or changes in the rights of Holders of Outstanding Securities represented thereby shall be made in such manner and by such Person or Persons as shall be specified therein or in the Company Order to be delivered pursuant to Section 3.03 or Section 3.04 with respect thereto. Subject to the provisions of Section 3.03 and, if applicable,

Section 3.04, the Trustee shall deliver and redeliver any Global Security in permanent form in the manner and upon instructions given by the Person specified therein or in the applicable Company Order. If a Company Order pursuant to Section 3.03 or Section 3.04 has been, or simultaneously is, delivered, any instructions by the Company with respect to a Global Security shall be in writing but need not be accompanied by or contained in an Officer's Certificate and need not be accompanied by an Opinion of Counsel.

Notwithstanding the provisions of Section 3.07, unless otherwise specified as contemplated by Section 3.01, payment of principal of and any premium and interest on any Global Security in permanent form shall be made to the Person or Persons specified in the Global Security.

Notwithstanding the provisions of Section 3.08 and except as provided in the preceding paragraph, the Company, the Trustee and any agent of the Company or the Trustee shall treat as the Holder of such principal amount of Outstanding Securities represented by a permanent Global Security in registered form, the Holder of such permanent Global Security in registered form.

Section 2.04. *Forms of Legends for Global Securities*. Unless otherwise specified as contemplated by Section 3.01 for the Securities evidenced thereby, every Global Security authenticated and delivered hereunder which is deposited with The Depository Trust Company shall bear legends in substantially the following form:

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE THEREOF. UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR SECURITIES IN CERTIFICATED FORM, THIS SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITORY TRUST COMPANY (THE "DEPOSITORY") TO A NOMINEE OF THE DEPOSITORY OR BY THE DEPOSITORY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITORY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITORY. UNLESS THIS GLOBAL SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

This Security may not be offered or sold in the Kingdom of Spain by means of a public offer (as defined and construed by Spanish law) and may only be offered or sold in the Kingdom of Spain in compliance with the requirements of Royal Legislative Decree 4/2015 of October 23 (as amended from time to time) on the Spanish Securities Market and Royal Decree 1310/2005 of November 4, 2005 on listing in secondary markets, public offers and the prospectus required for those purposes.

ARTICLE 3
THE SECURITIES

Section 3.01. *Amount Unlimited; Issuable in Series.* The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is unlimited. The Securities may be issued in one or more series.

With respect to any Securities to be authenticated and delivered hereunder, there shall be established or issued in or pursuant to a Board Resolution and set forth in an Officer's Certificate, or established in one or more indentures supplemental hereto, prior to the issuance of any Securities of a series,

(a) the title of such Securities and series in which such Securities shall be included;

(b) any limit on the aggregate principal amount of the Securities of such title or the Securities of such series which may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration or transfer of, or in exchange for, or in lieu of, other Securities of such series pursuant to Sections 3.04, 3.05, 3.06, 9.05 or 11.07 or the terms of such Securities and except for any Securities that, pursuant to Section 3.03, are deemed never to have been authenticated and delivered hereunder);

(c) whether such Securities may be converted into or exercised or exchanged for debt or equity securities of the Company or one or more third parties, the terms on which conversion, exercise or exchange may occur, including whether conversion, exercise or

exchange is mandatory, at the option of the holder or at the Company's option, the period during which conversion, exercise or exchange may occur, the initial conversion, exercise or exchange price or rate and the circumstances or manner in which the amount of securities issuable or deliverable upon conversion, exercise or exchange may be adjusted;

(d) the price or prices (expressed as a percentage of the aggregate principal amount thereof) at which such Securities will be issued;

(e) if any of such Securities are to be issuable in global form, when any of such Securities are to be issuable in global form and (i) whether beneficial owners of interests in any such Global Security may exchange such interests for Securities of the same series and of like tenor and of any authorized form and denomination, and the circumstances under which any such exchanges may occur, if other than in the manner specified in Section 3.05, (ii) the name of the Depository or the U.S. Depository, as the case may be, with respect to any Global Security and (iii) the form of any legend or legends that shall be borne by any such Global Security in addition to or in lieu of that set forth in Section 2.04;

(f) the date or dates, or the method or methods, if any, by which such date or dates shall be determined, on which the principal, or any portion of the principal amount, of such Securities is payable and, if other than the full principal amount thereof, the portion, or the method or methods by which such portion is determined, of the principal amount of such Securities payable on such date or dates;

(g) the rate or rates (which may be fixed or variable) at which such Securities will bear interest, if any, or the method or methods, if any, by which such rate or rates are to be determined, the date or dates, if any, from which such interest shall accrue or the method or methods, if any, by which such date or dates are to be determined, the Interest Payment Dates, if any, on which such interest shall be payable and the Regular Record Date, if any, for the interest payable on Securities on any Interest Payment Date, whether and under what circumstances Additional Amounts on such Securities or any of them shall be payable, the notice, if any, to Holders regarding the determination of interest on a floating rate Security and the manner of giving such notice, and the basis upon which interest shall be calculated if other than that of a 360-day year of twelve 30-day months;

(h) if in addition to or other than the Borough of Manhattan, The City of New York, the place or places where the principal of, any premium and interest on or any Additional Amounts with respect to such Securities shall be payable, any of such Securities that are Securities may be surrendered for registration of transfer, any of such Securities may be surrendered for exchange and notices or demands to or upon the Company in respect of such Securities and this Indenture may be served; the extent to which, or the manner in which, any interest payment on a Global Security on an Interest Payment Date will be paid and the manner in which any principal of or premium, if any, on any Global Security will be paid;

(i) whether any of such Securities are to be redeemable at the option of the Company or of the Holder thereof and, if so, the period or periods within which, the price or prices at which and the other terms and conditions upon which such Securities may be redeemed, in whole or in part, at the option of the Company or of the Holder thereof and the terms and provisions of such optional redemption;

(j) whether the Company is obligated to redeem or purchase any of such Securities pursuant to any sinking fund or analogous provision or at the option of any Holder thereof and, if so, the period or periods within which, the price or prices at which and the other terms and conditions upon which such Securities shall be redeemed or purchased, in whole or in part, pursuant to such obligation, and any provisions for the remarketing of such Securities so redeemed or purchased;

(k) the denominations in which any of such Securities shall be issuable;

(l) whether any of the Securities will be issued as Original Issue Discount Securities;

(m) if other than the principal amount thereof, the portion of the principal amount of any of such Securities that shall be payable upon declaration of acceleration of the Maturity thereof pursuant to Section 5.02 or the method by which such portion is to be determined;

(n) if other than Dollars, the Foreign Currency in which payment of the principal of, any premium or interest on or any Additional Amounts with respect to any of such Securities shall be payable and the manner of determining the equivalent thereof in Dollars for any purpose, including for purposes of the definition of "Outstanding" in Section 1.01;

(o) if the principal of, any premium or interest on or any Additional Amounts with respect to, any of such Securities are to be payable, at the election of the Company or a Holder thereof or otherwise, in a Currency other than that in which such Securities are

stated to be payable, the period or periods within which, and the other terms and conditions upon which, such election may be made, and the time and manner of determining the exchange rate between the Currency in which such Securities are denominated or stated to be payable and the Currency in which such Securities or any of them are to be so payable;

(p) whether the amount of payments of principal of, any premium or interest on or any Additional Amounts with respect to, such Securities may be determined with reference to an index, formula or other method or methods (which index, formula or method or methods may be based, without limitation, on one or more Currencies, commodities, equity indices or other indices), and, if so, the terms and conditions upon which and the manner in which such amounts shall be determined and paid or payable;

(q) any deletions from (which may be in its entirety), modifications of or additions to the Events of Default or covenants of the Company with respect to any of such Securities, whether or not such Events of Default or covenants are consistent with the Events of Default or covenants set forth herein and any change in the right of the Trustee or the requisite Holders of such Securities to declare the principal amount thereof due and payable pursuant to Section 5.02;

(r) the applicability, if any, of Section 4.02 to any of such Securities and any provisions in modification of, in addition to or in lieu of any of the provisions of Section 4.02;

(s) if any of such Securities are to be issuable upon the exercise of warrants, the time, manner and place for such Securities to be authenticated and delivered;

(t) if any of such Securities are to be issuable in global form and are to be issuable in definitive form (whether upon original issue or upon exchange of a temporary Security) only upon receipt of certain certificates or other documents or satisfaction of other conditions, then the form and terms of such certificates, documents or conditions;

(u) if there is more than one Trustee, the identity of the Trustee and, if not the Trustee, the identity of each Security Registrar, Paying Agent or Authenticating Agent with respect to such Securities;

(v) the "Stated Intervals" and the "Record Date" for purposes of Sections 312(a) (in the case of non-interest bearing Securities) and 316(c), respectively, of the Trust Indenture Act;

(w) any other terms of such Securities which the Company may establish in accordance with Article 9;

(x) the deed of issuance (*escritura de emisión*), if required, which shall be in the Spanish language, related to that series of Securities; and

(y) any deletions from (which may be in its entirety), modifications of or additions to the provisions of Section 10.04.

All Securities of any one series shall be substantially identical except as to denomination and except as may otherwise be provided in or pursuant to such Board Resolution or in any indenture supplemental hereto pertaining to such Securities. The terms of the Securities of any series may provide, without limitation, that the Securities shall be authenticated and delivered by the Trustee on original issue from time to time upon written order of persons designated in the Officer's Certificate or supplemental indenture and that such persons are authorized to determine, consistent with such Officer's Certificate or any applicable supplemental indenture, such terms and conditions of the Securities of such series as are specified in such Officer's Certificate or supplemental indenture. All Securities of any one series need not be issued at the same time and, unless otherwise so provided by the Company, a series may be reopened for issuances of additional Securities of such series or to establish additional terms of such series of Securities.

If any of the terms of the Securities of any series shall be established by action taken by or pursuant to a Board Resolution, the Board Resolution shall be delivered to the Trustee at or prior to the delivery of the Officer's Certificate setting forth the terms of such series.

Section 3.02. *Currency; Denominations*. Unless otherwise provided in or pursuant to this Indenture, the principal of, any premium and interest on and any Additional Amounts with respect to the Securities shall be payable in Dollars. Unless otherwise provided in or pursuant to this Indenture, Securities denominated in Dollars shall be issuable in registered form without coupons. Securities shall be issuable in such denominations as are established with respect to such Securities in or pursuant to this Indenture.

Section 3.03. *Execution, Authentication, Delivery and Dating.* Securities shall be executed on behalf of the Company by one of the representatives of the Company entitled to do so by Board Resolution or by any member of the Board of Directors. The signature of any of these officers on the Securities may be manual or facsimile.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities, executed by the Company, to the Trustee for authentication and, *provided* that the Board Resolution and Officer's Certificate or supplemental indenture or indentures with respect to such Securities referred to in Section 3.01 and a Company Order for the authentication and delivery of such Securities have been delivered to the Trustee, the Trustee in accordance with the Company Order and subject to the provisions hereof and of such Securities shall authenticate and deliver such Securities. In authenticating such Securities, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to Sections 315(a) through 315(d) of the Trust Indenture Act) shall be fully protected in relying upon,

(a) an Opinion of Counsel to the effect that:

(i) the form or forms and terms of such Securities, if any, have been established in conformity with the provisions of this Indenture;

(ii) all conditions precedent to the authentication and delivery of such Securities have been complied with and that such Securities, when completed by appropriate insertion and executed and delivered by the Company to the Trustee for authentication pursuant to this Indenture and authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar laws affecting the enforcement of creditors' rights generally, and subject to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) and will entitle the Holders thereof to the benefits of this Indenture; such Opinion of Counsel need express no opinion as to the availability of equitable remedies;

(iii) all laws and requirements in respect of the execution and delivery by the Company of such Securities, if any, have been complied with; and

(iv) this Indenture has been qualified under the Trust Indenture Act; and

(b) an Officer's Certificate stating that, to the best knowledge of the Persons executing such certificate, no event which is, or after notice or lapse of time would become, an Event of Default with respect to any of the Securities shall have occurred and be continuing.

If all the Securities of any series are not to be issued at one time, it shall not be necessary to deliver an Opinion of Counsel and an Officer's Certificate at the time of issuance of each Security, but such opinion and certificate, with appropriate modifications, shall be delivered at or before the time of issuance of the first Security of such series. After any such first delivery, any separate request by the Company that the Trustee authenticate Securities of such series for original issue will be deemed to be a certification by the Company that all conditions precedent provided for in this Indenture relating to authentication and delivery of such Securities continue to have been complied with.

The Trustee shall not be required to authenticate or to cause an Authenticating Agent to authenticate any Securities if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee or if the Trustee, being advised by counsel, determines that such action may not lawfully be taken.

Each Security shall be dated the date of its authentication.

No Security shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose, unless there appears on such Security a certificate of authentication substantially in the form provided for in Section 2.02 or 6.13 executed by or on behalf of the Trustee by the manual signature of one of its authorized officers or by the Authenticating Agent. Such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder.

Notwithstanding the foregoing, if any Security shall have been authenticated and delivered hereunder but never issued and sold by the Company, and the Company shall deliver such Security to the Trustee for cancellation as provided in Section 3.09, for all purposes of this Indenture such Security shall be deemed never to have been authenticated and delivered hereunder and shall never be entitled to the benefits of this Indenture.

Section 3.04. *Temporary Securities.* Pending the preparation of definitive Securities, the Company may execute and deliver to the Trustee and, upon Company Order, the Trustee shall authenticate and deliver, in the manner provided in Section 3.03, temporary Securities in lieu thereof which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued, in registered form. Such temporary Securities may be in global form.

Except in the case of temporary Global Securities, which shall be exchanged in accordance with the provisions thereof, if temporary Securities are issued, the Company shall cause definitive Securities to be prepared without unreasonable delay. After the preparation of definitive Securities of the same series and containing terms and provisions that are identical to those of any temporary Securities, such temporary Securities shall be exchangeable for such definitive Securities upon surrender of such temporary Securities at an Office or Agency for such Securities, without charge to any Holder thereof. Upon surrender for cancellation of any one or more temporary Securities, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Securities of authorized denominations of the same series and containing identical terms and provisions. Unless otherwise provided in or pursuant to this Indenture with respect to a temporary Global Security, until so exchanged the temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series.

Section 3.05. *Registration, Transfer and Exchange.* (a) The Company shall cause to be kept a register (each such register being herein sometimes referred to as the "**Security Register**") at an Office or Agency for such series in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of the Securities of such series and of transfers of the Securities of such series. Such Office or Agency shall be the "Security Registrar" for that series of Securities. In the event that the Trustee shall not be the Security Registrar, it shall have the right to examine the Security Register at all reasonable times. The Bank of New York Mellon is hereby initially appointed as Security Registrar for each series of Securities. The Trustee shall have the right to examine the Security Register for such series at all reasonable times. Unless otherwise provided with respect to a particular series of Securities, there shall be only one Security Register for each series of Securities.

(b) Upon surrender for registration of transfer of any Security of any series at any Office or Agency for such series, the Company shall execute and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Securities of the same series denominated as authorized in or pursuant to this Indenture, of a like aggregate principal amount bearing a number not contemporaneously outstanding and containing identical terms and provisions.

(c) At the option of the Holder, Securities of any series may be exchanged for other Securities of the same series containing identical terms and provisions, in any authorized denominations, and of a like aggregate principal amount, upon surrender of the Securities to be exchanged at any Office or Agency for such series. Whenever any Securities are so surrendered for exchange, the Company shall execute and the Trustee shall authenticate and deliver, the Securities which the Holder making the exchange is entitled to receive.

(d) Each Global Security authenticated under this Indenture shall be registered in the name of the Depository designated for such Global Security or a nominee thereof and delivered to such Depository or a nominee thereof or custodian therefor, and each such Global Security shall constitute a single Security for all purposes of this Indenture. Notwithstanding any other provision of this Section, unless and until it is exchanged in whole or in part for definitive registered securities, a Global Security may not be transferred except as a whole by the Depository to a nominee of such Depository or by a nominee of such Depository to such Depository or by such Depository. Except as otherwise provided in or pursuant to this Indenture, any Global Security shall be exchangeable for definitive Securities only if (i) the Depository is at any time unwilling, unable or ineligible to continue as Depository or has ceased to be a clearing agency registered under the Exchange Act and, in either case, a successor depository is not appointed by the Company within 60 days of the date the Company is so informed in writing, (ii) the Company executes and delivers to the Trustee a Company Order to the effect it has elected to cause the issuance of definitive registered Securities, (iii) an Event of Default has occurred and is continuing with respect to the Securities, or (iv) there shall exist such circumstances, if any, in addition to or in lieu of the foregoing as have been specified for this purpose as contemplated by Section 3.01. If the beneficial owners of interests in a Global Security are entitled to exchange such interests for definitive Securities, then without unnecessary delay but in any event not later than the earliest date on which such interests may be so exchanged, the Company shall deliver to the Trustee definitive Securities in such form and denominations as are required by or pursuant to this Indenture, and of the same series, containing identical terms and in aggregate principal amount equal to the principal amount of such Global Security, executed by the Company. On or after the earliest date on which such interests may be so exchanged, such Global Security shall be surrendered from time to time by the U.S. Depository or such other Depository as shall be specified in the Company Order with respect thereto, and in accordance with

instructions given to the Trustee and the U.S. Depository or such other Depository, as the case may be (which instructions shall be in writing but need not be contained in or accompanied by an Officer's Certificate or be accompanied by an Opinion of Counsel), as shall be specified in the Company Order with respect thereto to the Trustee, as the Company's agent for such purpose, to be exchanged, in whole or in part, for definitive Securities as described above without charge. The Trustee shall authenticate and make available for delivery, in exchange for each portion of such surrendered Global Security, a like aggregate principal amount of definitive Securities of the same series of authorized denominations and of like tenor as the portion of such Global Security to be exchanged, as shall be specified by the beneficial owner thereof; *provided, however,* that no such exchanges may occur during a period beginning at the opening of business 15 days before any selection of Securities of the same series to be redeemed and ending on the relevant Redemption Date. Promptly following any such exchange in part, such Global Security shall be returned by the Trustee to such Depository or the U.S. Depository, as the case may be, or such other Depository or U.S. Depository referred to above in accordance with the instructions of the Company referred to above. If a Security is issued in exchange for any portion of a Global Security after the close of business at the Office or Agency for such Security where such exchange occurs on or after (i) any Regular Record Date for such Security and before the opening of business at such Office or Agency on the next Interest Payment Date, or (ii) any Special Record Date for such Security and before the opening of business at such Office or Agency on the related proposed date for payment of interest or Defaulted Interest, as the case may be, interest shall not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect of such Security, but shall be payable on such Interest Payment Date or proposed date for payment, as the case may be, only to the Person to whom interest in respect of such portion of such Global Security shall be payable in accordance with the provisions of this Indenture.

(e) All Securities issued upon any registration of transfer or exchange of Securities shall be the valid obligations of the Company evidencing the same debt and entitling the Holders thereof to the same benefits under this Indenture as the Securities surrendered upon such registration of transfer or exchange.

(f) Every Security presented or surrendered for registration of transfer or for exchange or redemption shall (if so required by the Company or the Security Registrar for such Security) be duly endorsed, or be accompanied by a written instrument of transfer substantially in the form set forth in Exhibit D hereto or in such other form satisfactory to the Company and the Security Registrar for such Security duly executed by the Holder thereof or his attorney duly authorized in writing.

(g) No service charge shall be made for any registration of transfer or exchange, or redemption of Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge and any other expenses (including the fees and expenses of the Trustee) that may be imposed in connection with any registration of transfer or exchange of Securities, other than exchanges pursuant to Section 3.04, 9.05 or 11.07 not involving any transfer.

(h) Except as otherwise provided in or pursuant to this Indenture, the Company shall not be required (i) to issue, register the transfer of or exchange any Securities during a period beginning at the opening of business 15 days before the day of the selection for redemption of Securities of like tenor and the same series under Section 11.03 and ending at the close of business on the day of such selection, or (ii) to register the transfer of or exchange any Security so selected for redemption in whole or in part, except in the case of any Security to be redeemed in part, the portion thereof not to be redeemed or (iii) to issue, register the transfer of or exchange any Security which, in accordance with its terms, has been surrendered for repayment at the option of the Holder, except the portion, if any, of such Security not to be so repaid.

Section 3.06. *Mutilated, Destroyed, Lost and Stolen Securities.* (a) If any mutilated Security is surrendered to the Trustee, subject to the provisions of this Section 3.06, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a new Security of the same series containing identical terms and of like principal amount and bearing a number not contemporaneously outstanding, appertaining to the surrendered Security.

(b) If there be delivered to the Company and to the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security, and (ii) such security or indemnity as may be required by them to save each of them and any agent of either of them harmless, then, in the absence of notice to the Company or the Trustee that such Security has been acquired by a protected purchaser, the Company shall execute and, upon the Company's request the Trustee shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Security, a new Security of the same series containing identical terms and of like principal amount and bearing a number not contemporaneously outstanding.

(c) Notwithstanding the foregoing provisions of this Section 3.06, in case any mutilated, destroyed, lost or stolen Security has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay such Security.

(d) Upon the issuance of any new Security under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

(e) Every new Security issued pursuant to this Section in lieu of any destroyed, lost or stolen Security, shall constitute a separate obligation of the Company, whether or not the destroyed, lost or stolen Security shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of such series, if any, duly issued hereunder.

(f) The provisions of this Section, as amended or supplemented pursuant to this Indenture with respect to particular Securities or generally, shall be exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities.

Section 3.07. *Payment of Interest and Certain Additional Amounts; Rights to Interest and Certain Additional Amounts Preserved.* (a) Unless otherwise provided in or pursuant to this Indenture, any interest on and any Additional Amounts with respect to any Security which shall be payable, and are punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name such Security (or one or more Predecessor Securities) is registered as of the close of business on the Regular Record Date for such interest.

The Company shall, before 10:00 a.m. (New York time) on each due date of the principal or (and premium, if any) or interest or any other amounts due on any Securities, deposit with a Paying Agent a sum in immediately available funds sufficient to pay the principal (and premium, if any) or interest or any other amounts due or so becoming due, such sum to be held in trust by the Paying Agent for the benefit of the Persons entitled to such principal, premium or interest or any other amounts due and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee and the Paying Agent of its action or failure so to act. Subject to actual receipt of such funds as provided by this Section by the designated Paying Agent, such Paying Agent shall make payments on the Securities in accordance with the provisions of this Indenture.

(b) Unless otherwise provided in or pursuant to this Indenture, any interest on and any Additional Amounts with respect to any Security which shall be payable, but shall not be punctually paid or duly provided for, on any Interest Payment Date for such Security (herein called "**Defaulted Interest**") shall forthwith cease to be payable to the Holder thereof on the relevant Regular Record Date by virtue of having been such Holder; and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in Clause (i) or (ii) below:

(i) The Company may elect to make payment of any Defaulted Interest to the Person in whose name such Security (or a Predecessor Security thereof) shall be registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on such Security and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit on or prior to the date of the proposed payment, such money when so deposited to be held in trust for the benefit of the Person entitled to such Defaulted Interest as in this Clause provided. Thereupon, the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than ten days prior to the date of the proposed payment and not less than ten days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to the Holder of such Security (or a Predecessor Security thereof) at his address as it appears in the Security Register not less than ten days prior to such Special Record Date. The Trustee shall, at the instruction of the Company, in the name and at the expense of the Company, cause a similar notice to be published at least once in an Authorized Newspaper of general circulation in the Borough of Manhattan, The City of New York, but such publication shall not be a condition precedent to the establishment of such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the Person in whose name such Security (or a Predecessor Security thereof) shall be registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following Clause (ii).

(ii) The Company may make payment of any Defaulted Interest in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Security may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this Clause, such payment shall be deemed practicable by the Trustee.

(c) If so provided in the form of Securities of any particular series pursuant to the provisions of this Indenture, at the option of the Company, interest on Securities that bear interest may be paid by mailing a check to the address of the Person entitled thereto as such address shall appear in the Security Register or by transfer to an account maintained by the payee with a bank located in the United States.

(d) Subject to the foregoing provisions of this Section and Section 3.05, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Security shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

Section 3.08. *Persons Deemed Owners.* (a) Prior to due presentment of a Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name such Security is registered in the Security Register as the owner of such Security for the purpose of receiving payment of principal of, any premium and (subject to Section 3.07) interest on and any Additional Amounts with respect to such Security and for all other purposes whatsoever, whether or not any payment with respect to such Security shall be overdue, and neither the Company nor the Trustee or any agent of the Company or the Trustee shall be affected by notice to the contrary.

(b) No holder of any beneficial interest in any Global Security held on its behalf by a Depository shall have any rights under this Indenture with respect to such Global Security, and such Depository may be treated by the Company, the Trustee, and any agent of the Company or the Trustee as the owner of such Global Security for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall impair, as between the Depository and such holders of beneficial interests, the operation of customary practices governing the exercise of the rights of the Depository as Holder of any Security. None of the Company, the Trustee, any Paying Agent or the Security Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Global Security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Section 3.09. *Cancellation.* All Securities surrendered for payment, redemption, registration of transfer or exchange or for credit against any sinking fund payment shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee, and any such Securities, as well as Securities surrendered directly to the Trustee for any such purpose, shall be cancelled promptly by the Trustee. The Company may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and may deliver to the Trustee (or to any other Person for delivery to the Trustee) for cancellation any Securities previously authenticated hereunder that the Company has not issued and sold, and all Securities so delivered shall be cancelled promptly by the Trustee. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section, except as expressly permitted by or pursuant to this Indenture. All cancelled Securities held by the Trustee shall be cancelled by the Trustee in accordance with its customary practice, unless by a Company Order the Company directs their return to it.

Section 3.10. *Computation of Interest.* Except as otherwise provided in or pursuant to this Indenture, interest on the Securities shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 3.11. *Status of the Securities*. The Securities shall be direct, unconditonal, unsubordinated and unsecured obligations of the Company and rank *pari passu* among themselves and with all other present and future unsubordinated and unsecured indebtedness of the Company, but in the event of insolvency only to the extent permitted bv the Spanish Insolvency Law (*Ley Concursal*), or other laws relating to or affecting the enforcement of creditors' rights in Spain.

ARTICLE 4
SATISFACTION AND DISCHARGE OF INDENTURE

Section 4.01. *Satisfaction and Discharge.* (a) Upon the direction of the Company by a Company Order, this Indenture shall cease to be of further effect with respect to any series of Securities specified in such Company Order (except as to any surviving rights of registration of transfer or exchange or conversion of Securities of such series herein expressly provided for and any right to receive Additional Amounts), and the Trustee, on receipt of a Company Order, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture as to such series, when

(i) either

(A) all Securities of such series theretofore authenticated and delivered (other than (y) Securities of such series which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 3.06 and (z) Securities of such series for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 10.03) have been delivered to the Trustee for cancellation; or

(B) all Securities of such series and, in the case of (1) or (2) below, not theretofore delivered to the Trustee for cancellation

(1) have become due and payable, or

(2) will become due and payable at their Stated Maturity within one year, or

(3) if redeemable at the option of the Company, are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company,

and the Company, in the case of (1), (2) or (3) above, has deposited or caused to be deposited with the Trustee as trust funds in trust for such purpose, money in an amount sufficient to pay and discharge the entire indebtedness on such Securities not theretofore delivered to the Trustee for cancellation, including the principal of, any premium and interest on, and any Additional Amounts with respect to such Securities, to the date of such deposit (in the case of Securities which have become due and payable) or to the Maturity thereof, as the case may be;

(ii) the Company has paid or caused to be paid all other sums payable hereunder by the Company with respect to the Outstanding Securities of such series; and

(iii) the Company has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture as to such series have been complied with.

(b) In addition, upon the exercise of the Spanish Bail-in Power with respect to a series of Securities which results in the redemption, cancellation, or the conversion into other securities, of all the Amounts Due on the Securities of such series or such Securities otherwise ceasing to be outstanding, the Indenture shall be deemed satisfied and discharged as to such series of Securities.

(c) In the event there are Securities of two or more series hereunder, the Trustee shall be required to execute an instrument acknowledging satisfaction and discharge of this Indenture only if requested to do so with respect to Securities of such series as to which it is Trustee and if the other conditions thereto are met.

(d) Notwithstanding the satisfaction and discharge of this Indenture with respect to any series of Securities, the obligations of the Company to the Trustee under Sections 6.06 and 6.07 and, if money shall have been deposited with the Trustee pursuant to subclause (B) of clause (a)(i) of this Section, the obligations of the Trustee under Sections 3.05, 3.06, 4.03 and the last paragraph of Section 10.03 shall survive.

Section 4.02. *Defeasance and Covenant Defeasance.* (a) If, pursuant to Section 3.01, provision is made for either or both of (i) defeasance of the Securities of or within a series under subsection (b) of this Section 4.02 or (ii) covenant defeasance of the Securities of or within a series under subsection (c) of this Section 4.02, then such provisions, together with the other provisions of this Section 4.02 (with such modifications thereto as may be specified pursuant to Section 3.01 with respect to such Securities), shall be applicable to such Securities, and the Company may at its option by Company Order, at any time, with respect to such Securities, elect to have Section 4.02(b) (if applicable) or Section 4.02(c) (if applicable) be applied to such Outstanding Securities upon compliance with the conditions set forth below in this Section 4.02.

(b) Upon the Company's exercise of the above option applicable to this Section 4.02(b) with respect to any Securities of or within a series, the Company shall be deemed to have been discharged from its obligations with respect to such Outstanding Securities on the date the conditions set forth in subsection (d) of this Section 4.02 are satisfied (hereinafter, "**defeasance**"). For this purpose, such defeasance means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by such Outstanding Securities, and such Securities shall thereafter be deemed to be "Outstanding" only for the purposes of subsection (e) of this Section 4.02 and the other Sections of this Indenture referred to in clauses (i) and (ii) below, and the Company shall be deemed to have satisfied all of its other obligations under such Securities and this Indenture insofar as such Securities are concerned (and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following which shall survive until otherwise terminated or discharged hereunder: (i) the rights of Holders of such Outstanding Securities to receive, solely from the trust fund described in subsection (d) of this Section 4.02 and as more fully set forth in such Section, payments in respect of the principal of (and premium, if any) and interest, if any, on such Securities when such payments are due, (ii) the

Company's obligations with respect to such Securities under Sections 3.05, 3.06, 10.02 and 10.03 and with respect to the payment of Additional Amounts, if any, on such Securities as contemplated by Section 10.04, (iii) the rights, powers, trusts, duties and immunities of the Trustee hereunder and (iv) this Section 4.02. The Company may exercise its option under this Section 4.02(b) notwithstanding the prior exercise of its option under subsection (c) of this Section 4.02 with respect to such Securities.

(c) Upon the Company's exercise of the above option applicable to this Section 4.02(c) with respect to any Securities of or within a series, the Company shall be released from, if specified pursuant to Section 3.01, its obligations under any other covenant, with respect to such Outstanding Securities on and after the date the conditions set forth in subsection (d) of this Section 4.02 are satisfied (hereinafter, "**covenant defeasance**"), and such Securities shall thereafter be deemed to be not "Outstanding" for the purposes of any direction, waiver, consent or declaration or Act of Holders (and the consequences of any thereof) in connection with such other covenant, but shall continue to be deemed "Outstanding" for all other purposes hereunder. For this purpose, such covenant defeasance means that, with respect to such Outstanding Securities, the Company may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such Section or such other covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such Section or such other covenant or by reason of reference in any such Section or such other covenant to any other provision herein or in any other document and such omission to comply shall not constitute a default or an Event of Default, as the case may be, but, except as specified above, the remainder of this Indenture and such Securities shall be unaffected thereby.

(d) The following shall be the conditions to application of subsection (b) or (c) of this Section 4.02 to any Outstanding Securities of or within a series:

(i) The Company shall irrevocably have deposited or caused to be deposited with the Trustee (or another trustee satisfying the requirements of Section 6.08 who shall agree to comply with the provisions of this Section 4.02 applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefit of the Holders of such Securities, (A) an amount in Dollars or in such Foreign Currency in which such Securities are then specified as payable at Stated Maturity, or (B) U.S. Government Obligations applicable to such Securities (determined on the basis of the Currency in which such Securities are then specified as payable at Stated Maturity) which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment of principal of (and premium, if any) and interest, if any, on such Securities, money in an amount, or (C) a combination thereof, in any case, in an amount, sufficient, without consideration of any reinvestment of such principal and interest, in the opinion of a nationally recognized firm of Independent Public Accountants expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which shall be applied by the Trustee (or other qualifying trustee) to pay and discharge, (y) the principal of (and premium, if any) and interest, if any, on such outstanding Securities on the Stated Maturity of such principal or installment of principal or interest and (z) any mandatory sinking fund payments or analogous payments applicable to such Outstanding Securities on the day on which such payments are due and payable in accordance with the terms of this Indenture and of such Securities.

(ii) Such defeasance or covenant defeasance shall not result in a breach or violation of, or constitute a default under, this Indenture or any other material agreement or instrument to which the Company is a party or by which it is bound.

(iii) No Event of Default or event which with notice or lapse of time or both would become an Event of Default with respect to such Securities shall have occurred and be continuing on the date of the establishment of such trust and, with respect to legal defeasance only, at any time during the period ending on the 91st day after the date of such deposit (it being understood that this condition shall not be deemed satisfied until the expiration of such period).

(iv) In the case of an election under subsection (b) of this Section 4.02, the Company shall have delivered to the Trustee an Opinion of Counsel of recognized standing stating that (A) the Company has received from the Internal Revenue Service a letter ruling, or there has been published by the Internal Revenue Service a Revenue Ruling, or (B) since the date of the applicable prospectus supplement, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon such opinion shall confirm that, the beneficial owners of such Outstanding Securities will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such legal defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such legal defeasance had not occurred.

(v) In the case of an election under subsection (c) of this Section 4.02, the Company shall have delivered to the Trustee an Opinion of Counsel of recognized standing to the effect that the beneficial owners of such Outstanding Securities will not

recognize income, gain or loss for U.S. federal income tax purposes as a result of such covenant defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such covenant defeasance had not occurred.

(vi) The Company shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent to the defeasance or covenant defeasance under subsection (b) or (c) of this Section 4.02 (as the case may be) have been complied with.

(vii) Such defeasance or covenant defeasance shall not cause the Trustee to have a conflicting interest within the meaning of the Trust Indenture Act (assuming all relevant Securities are in default within the meaning of such Act).

(viii) Such defeasance or covenant defeasance shall not result in the trust arising from such deposit constituting an investment company within the meaning of the Investment Company Act of 1940, as amended and rules and regulations adopted by the Commission thereunder, unless such trust shall be registered under such Act or exempt from registration thereunder.

(ix) Notwithstanding any other provisions of this Section 4.02(d), such defeasance or covenant defeasance shall be effected in compliance with any additional or substitute terms, conditions or limitations which may be imposed on the Company in connection therewith pursuant to Section 3.01.

(e) Subject to the provisions of the last paragraph of Section 10.03, all money and U.S. Government Obligations (or other property as may be provided pursuant to Section 3.01) (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 4.02(e), the "**Trustee**") pursuant to subsection (d) of Section 4.02 in respect of any Outstanding Securities of any series shall be held in trust and applied by the Trustee, in accordance with the provisions of such Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Holders of such Securities of all sums due and to become due thereon in respect of principal (and premium, if any) and interest and Additional Amounts, if any, but such money need not be segregated from other funds except to the extent required by law.

(f) Unless otherwise specified with respect to any Security pursuant to Section 3.01, if, after a deposit referred to in Section 4.02 (d)(i) has been made, (i) the Holder of a Security in respect of which such deposit was made is entitled to, and does, elect pursuant to Section 3.01 or the terms of such Security to receive payment in a Currency other than that in which the deposit pursuant to Section 4.02(d)(i) has been made in respect of such Security, or (ii) a Conversion Event occurs in respect of the Foreign Currency in which the deposit pursuant to Section 4.02(d)(i) has been made, the indebtedness represented by such Security shall be deemed to have been, and will be, fully discharged and satisfied through the payment of the principal of (and premium, if any), interest, if any, and Additional Amounts, if any, on such Security as the same becomes due out of the proceeds yielded by converting (from time to time as specified below in the case of any such election) the amount or other property deposited in respect of such Security into the Currency in which such Security becomes payable as a result of such election or Conversion Event based on the applicable market exchange rate for such Currency in effect on the second Business Day prior to each payment date, except, with respect to a Conversion Event, for such Foreign Currency in effect at the time of the Conversion Event.

(g) Anything in this Section 4.02 to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon Company Request any money or U.S. Government Obligations (or other property and any proceeds therefrom) held by it as provided in subsection (d) of this Section 4.02 which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect a defeasance or covenant defeasance, as applicable, in accordance with this Section 4.02.

Section 4.03. *Application of Trust Money and Repayment to Company.* Subject to the provisions of the last paragraph of Section 10.03, all money and U.S. Government Obligations deposited with the Trustee pursuant to Section 4.01 or 4.02 shall be held in trust and applied by it, in accordance with the provisions of the Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent), to the Persons entitled thereto, of the principal, premium, interest and Additional Amounts for whose payment such money has or U.S. Government Obligations have been deposited with or received by the Trustee; but such money and U.S. Government Obligations need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the U.S. Government Obligations deposited pursuant to Section 4.02 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of Outstanding Securities.

The Trustee and any Paying Agent promptly shall pay to the Company upon Company Request any excess money and/or U.S. Government Obligations held by them at any time with respect to any series of Securities.

Section 4.04. *Prescription.* All claims made against the Company for payment of principal of, any premium or interest or Additional Amounts on, or in respect of, the Securities shall become void unless made within the earlier of (i) six years or (ii) any applicable shorter period provided for under New York law, starting from the later of the date on which such payment first became due and the date on which the full amount was received by the Trustee or the Paying Agent.

Section 4.05. *Reinstatement*. If the Trustee or any Paying Agent is unable to apply any money or U.S. Government Obligations in accordance with this Article 4 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the obligations of the Company under this Indenture and the Securities shall be revived and reinstated as though no deposit had occurred pursuant to this Article 4 until such time as the Trustee or such Paying Agent is permitted to apply all such money or U.S. Government Obligations in accordance with this Article 4; provided, however, that, if the Company has made any payment of principal of, any premium or interest on, or any Additional Amounts on any Securities because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Securities to receive such payment from the money or U.S. Government Obligations held by the Trustee or such Paying Agent.

ARTICLE 5
REMEDIES

Section 5.01. *Events of Default.* "**Event of Default**", wherever used herein with respect to Securities of any series, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body), unless, with respect to a particular series of Securities, such event is specifically deleted or modified in or pursuant to the supplemental indenture or Board Resolution creating such series of Securities or in the Officer's Certificate for such series, and except as set forth in the last paragraph of this Section 5.01:

(a) default by the Company in the payment of the principal of any Security of such series when due and payable at its Maturity and such default is not remedied within 14 days; or

(b) default by the Company in the payment of any interest on or any Additional Amounts payable in respect of any Security of such series when such interest becomes or such Additional Amounts become due and payable, and continuance of such default for a period of 21 days; or

(c) default by the Company in the payment of any premium or deposit of any sinking fund payment, when and as due by the terms of a Security of such series, and such default is not remedied in 30 days; or

(d) default in the performance, or breach, of any covenant or warranty of the Company in this Indenture or the Securities (other than a covenant or warranty default in the performance or breach of which is elsewhere in this Section specifically dealt with or which has been expressly included in this Indenture solely for the benefit of a series of Securities other than such series), and continuance of such breach or default for a period of 30 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by any Holder or the Holders of any Outstanding Securities of such series a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder; or

(e) an order is made by any competent court commencing insolvency proceedings (*procedimientos concursales*) against the Company or an order of any competent court or administrative agency is made or a resolution is passed by the Company for the dissolution or winding up of the Company (except (i) in any such case for the purpose of a reconstruction or a merger or amalgamation which has been approved by an Act of the Holders of the Securities of such series or (ii) where the entity resulting from any such reconstruction or merger or amalgamation is a financial institution (*entidad de crédito* according to Article 1 of Law 10/2014 of June 26, on regulation, oversight and solvency of credit institutions, as amended, replaced or supplemented from time to time) and will have a rating for long-term senior debt assigned by Standard & Poor's Ratings Services, Moody's Investors Service or Fitch Ratings Ltd. equivalent to or higher than the rating for long-term senior debt of the Company immediately prior to such reconstruction or merger or amalgamation); or

(f) the Company is adjudicated or found bankrupt or insolvent by any competent court, or any order of any competent court or administrative agency is made for, or any resolution is passed by the Company to apply for, judicial composition proceedings with its creditors for the appointment of a receiver or trustee or other similar official in insolvency proceedings (*procedimientos concursales*) in relation to the Company or of a substantial part of the assets of the Company (unless in the case of an order for a temporary appointment, such appointment is discharged within 30 days); or

(g) the Company (except (i) for the purpose of an amalgamation, merger or reconstruction approved by an Act of the Holders of the Securities of such series or (ii) where the entity resulting from any such amalgamation, merger or reconstruction will have a rating for long-term senior debt assigned by Standard & Poor's Ratings Services, Moody's Investors Service or Fitch Ratings Ltd. equivalent to or higher than the rating for long-term senior debt of the Company immediately prior to such amalgamation, merger or reconstruction) ceases or threatens to cease to directly or indirectly carry on the whole or substantially the whole of its business; or

(h) a holder of a security interest takes possession of the whole or any substantial part of the assets or business of the Company or an order of any competent court or administrative agency is made for the appointment of an administrative or other receiver, manager, administrator or similar official in relation to the Company or in relation to the whole or any substantial part of the business or assets of the Company (in each case, other than in connection with a Resolution or an Early Intervention with respect to the Company), or a distress or execution is levied or enforced upon or sued out against any substantial part of the business or assets of the Company and is not discharged within 30 days.

For the purpose of paragraphs (f), (g) and (h) a report by the external auditors from time to time of the Company as to whether any part of the business or assets of the Company is "substantial" shall, in the absence of manifest error, be conclusive.

Notwithstanding any other provision in this Indenture, any Resolution or Early Intervention with respect to the Company shall not, in and of itself and without regard to any other fact or circumstance, constitute a default or an Event of Default under paragraphs 5.01(e) and 5.01(f) above or any other provision of this Indenture with respect to the Securities of any series. In addition, neither (i) a reduction or cancellation, in part or in full, of the Amounts Due on the Securities of any series or the conversion thereof into another security or obligation of the Company or another Person, in each case as a result of the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Company, nor (ii) the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities of any series will constitute an Event of Default or default under this Indenture or the Securities of any series. In addition, no repayment or payment of Amounts Due on the Securities of any series will become due and payable or be paid after the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority if, and to the extent that, such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

Section 5.02. *Acceleration of Maturity; Rescission and Annulment.* (a) If an Event of Default with respect to Securities of any series at the time Outstanding occurs and is continuing, then the Trustee, acting pursuant to an Act of the Holders of the Securities of the relevant series, with respect to all Outstanding Securities of such series, or the Holder of any Outstanding Security of the relevant series, with respect to such Security held by such Holder, may declare the principal, or such lesser amount as may be provided for in the Securities of such series, of such Securities or Security, as the case may be, to be due and payable immediately by giving written notice to the Company, and upon receipt of any such declaration such principal or such lesser amount shall become immediately due and payable.

(b) At any time after such a declaration of acceleration with respect to Securities or Security, as the case may be, of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of not less than a majority in principal amount of the Outstanding Securities of such series, may by Act, rescind and annul such declaration and its consequences if:

(i) the Company has paid or deposited with the Trustee a sum of money sufficient to pay:

(A) all overdue installments of any interest on and Additional Amounts with respect to all Securities of such series,

(B) the principal of and any premium on any Securities of such series which have become due otherwise than by such declaration of acceleration and interest thereon and any Additional Amounts with respect thereto at the rate or rates borne by or provided for in such Securities,

(C) to the extent that payment of such interest or Additional Amounts is lawful, interest upon overdue installments of any interest and Additional Amounts at the rate or rates borne by or provided for in such Securities, and

(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel and all other amounts due the Trustee under Section 6.07; and

(ii) all Events of Default with respect to Securities of such series, other than the non-payment of the principal of and any premium and interest on, and any Additional Amounts with respect to Securities of such series which shall have become due solely by such declaration of acceleration, shall have been cured or waived as provided in Section 5.13.

(c) No such rescission shall affect any subsequent default or impair any right consequent thereon.

Section 5.03. *Collection of Indebtedness and Suits for Enforcement by Trustee.* (a) The Company covenants that if:

(i) default is made in the payment of any installment of interest on or any Additional Amounts with respect to any Security when such interest or Additional Amounts shall have become due and payable and such default continues for a period of 21 days, or

(ii) default is made in the payment of the principal of or any premium on any Security at its Maturity and such default is not remedied, in the case of a default in the payment of the principal, within 14 days and, in the case of a default in the payment of any premium, within 30 days,

the Company shall, upon demand of the Trustee, pay to the Trustee, for the benefit of the Holders of such Securities, the whole amount of money then due and payable with respect to such Securities, with interest upon the overdue principal, any premium and, to the extent that payment of such interest shall be legally enforceable, upon any overdue installments of interest and Additional Amounts at the rate or rates borne by or provided for in such Securities, and, in addition thereto, such further amount of money as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel and all other amounts due to the Trustee under Section 6.07.

(b) If the Company fails to pay the money it is required to pay the Trustee pursuant to the preceding paragraph forthwith upon the demand of the Trustee, the Trustee, acting upon an Act of the Holders of Securities of such series or in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the money so due and unpaid, and may prosecute such proceeding to judgment or final decree, and may enforce the same against the Company or any other obligor upon such Securities, and collect the monies adjudged or decreed to be payable in the manner provided by law out of the property of the Company or any other obligor upon such Securities, wherever situated.

(c) If an Event of Default with respect to Securities of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of Securities of such series by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or such Securities or in aid of the exercise of any power granted herein or therein, or to enforce any other proper remedy.

Section 5.04. *Trustee May File Proofs of Claim.* (a) In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Company or any other obligor upon the Securities or the property of the Company or such other obligor or their creditors, the Trustee (irrespective of whether the principal of the Securities shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Company for the payment of any overdue principal, premium, interest or Additional Amounts) shall be entitled and empowered, by intervention in such proceeding or otherwise,

(i) to file and prove a claim for the whole amount, or such lesser amount as may be provided for in the Securities of such series, of the principal and any premium, interest and Additional Amounts owing and unpaid in respect of the Securities and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents or counsel and of the Holders of Securities) allowed in such judicial proceeding, and

(ii) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder of Securities to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders of Securities, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel and any other amounts due the Trustee under Section 6.07.

(b) Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder of a Security any plan of reorganization, arrangement, adjustment or composition affecting the Securities or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder of a Security in any such proceeding.

Section 5.05. *Trustee May Enforce Claims Without Possession of Securities.* All rights of action and claims under this Indenture or any of the Securities may be prosecuted and enforced by the Trustee without the possession of any of the Securities or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery or judgment, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, shall be for the ratable benefit of each and every Holder of a Security in respect of which such judgment has been recovered.

Section 5.06. *Application of Money Collected.* Any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal, or any premium, interest or Additional Amounts, upon presentation of the Securities and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amounts due to the Trustee and any predecessor Trustee under Section 6.07;

SECOND: To the payment of the amounts then due and unpaid upon the Securities for principal and any premium, interest and Additional Amounts in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the aggregate amounts due and payable on such Securities for principal and any premium, interest and Additional Amounts, respectively;

THIRD: The balance, if any, to the Person or Persons entitled thereto.

Section 5.07. *Limitations on Suits.* No Holder of any Security of any series shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless

(i) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Securities of such series;

(ii) the Holders of not less than 25% in principal amount of the Outstanding Securities of such series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder with respect to such series of Securities and such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(iii) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(iv) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Securities of such series;

it being understood and intended that no one or more of such Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture or any Security to affect, disturb or prejudice the rights of any other such Holders or Holders of Securities of any other series, or to obtain or to seek to obtain priority or preference over any other Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all such Holders.

Section 5.08. *Unconditional Right of Holders to Receive Principal and any Premium, Interest and Additional Amounts.* Except as set forth in the immediately following paragraph, notwithstanding any other provision in this Indenture and in any Security, the Holder of any Security shall have the right, which is absolute and unconditional, to receive payment of the principal of, any premium and (subject to Section 3.07) interest on, and any Additional Amounts with respect to, such Security on or after the respective Stated Maturity or Maturities therefor specified in such Security (or, in the case of redemption, on or after the Redemption Date or, in the case of repayment at the option of such Holder if provided in or pursuant to this Indenture, on or after the date such repayment is due) and to institute suit for the enforcement of any such payment, and such right shall not be impaired or affected without the consent of such Holder, except that Holders of not less than 75% in principal amount of Outstanding Securities of a series may consent by Act,

on behalf of the Holders of all Outstanding Securities of such series, to the postponement of the Stated Maturity of any installment of interest for a period not exceeding three years from the original Stated Maturity of such installment (which original Stated Maturity shall have been fixed, for the avoidance of doubt, prior to any previous postponements of such installment).

The Securities of any series may be subject to the exercise of the Spanish Bail-in Power, and no Holder of any Security shall have any claim against the Company in connection with or arising out of any such exercise. No repayment or payment of Amounts Due on the Securities of any series will become due and payable or be paid after the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority if, and to the extent that, such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

Section 5.09. *Restoration of Rights and Remedies*. If the Trustee or any Holder of a Security has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case the Company, the Trustee and each such Holder shall, subject to any determination in such proceeding, be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of the Trustee and each such Holder shall continue as though no such proceeding had been instituted.

Section 5.10. *Rights and Remedies Cumulative.* Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities in the last paragraph of Section 3.06, no right or remedy herein conferred upon or reserved to the Trustee or to each and every Holder of a Security is intended to be exclusive of any other right or remedy, and every right and remedy, to the extent permitted by law, shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.11. *Delay or Omission Not Waiver.* No delay or omission of the Trustee or of any Holder of any Security to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to any Holder of a Security may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by such Holder, as the case may be.

Section 5.12. *Control by Holders of Securities.* The Holders of a majority in principal amount of the Outstanding Securities of the relevant series, by Act, shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to the Securities of such series, *provided* that:

(i) such direction shall not be in conflict with any rule of law or with this Indenture or with the Securities of any series,

(ii) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and

(iii) such direction is not unduly prejudicial to the rights of the other Holders of Securities of such series not joining in such action.

Section 5.13. *Waiver of Past Defaults*. (a) Subject to Section 5.02(b)(i)(D), the Holders of not less than a majority in principal amount of the Outstanding Securities of any series on behalf of the Holders of all the Securities of such series may, by Act, waive any past default hereunder with respect to such series and its consequences, except a default:

(i) in the payment of the principal of or any premium, or interest on, or any Additional Amounts with respect to, any Security of such series, or

(ii) in respect of a covenant or provision hereof which under Article 9 cannot be modified or amended without the consent of the Holder of each Outstanding Security of such series affected.

(b) Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 5.14. *Undertaking for Costs.* In any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, a court may require any party litigant in such suit to file an undertaking to pay the costs of such suit, and may assess reasonable costs against any such party litigant, in the manner and to the extent provided in the Trust Indenture Act; provided that neither this Section nor the Trust Indenture Act shall be deemed to authorize any court to require such an undertaking or to make such an assessment in any suit instituted by the Company.

ARTICLE 6
THE TRUSTEE

Section 6.01. *Certain Duties and Responsibilities.* The duties and responsibilities of the Trustee shall be as specifically set forth in this Indenture and the Trust Indenture Act and no implied covenants nor obligations shall be read into this Indenture against the Trustee, except as otherwise required by the Trust Indenture Act. Whether or not herein or therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section. If a default or Event of Default has occurred or is continuing, the Trustee shall exercise such of the rights and powers vested in it by the Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduit of its own affairs.

Section 6.02. *Certain Rights of Trustee.* Except as set forth in this Article, no provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act or its own willful misconduct.

Subject to Sections 315(a) through 315(d) of the Trust Indenture Act:

(a) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Company Request or a Company Order (in each case, other than delivery of any Security, to the Trustee for authentication and delivery pursuant to Section 3.03 which shall be sufficiently evidenced as provided therein) and any resolution of the Board of Directors of the Company may be sufficiently evidenced by a Board Resolution;

(c) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence shall be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer's Certificate;

(d) the Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(e) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by or pursuant to this Indenture at the request or direction of any of the Holders of Securities of any series pursuant to this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(f) the Trustee shall not be bound to make any investigation or inquiry into (i) the performance of the Company of any of its covenants set forth in this Indenture and (ii) the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine, during business hours and upon reasonable notice, the books, records and premises of the Company, personally or by agent or attorney;

(g) the Trustee shall not be charged with knowledge of the occurrence of any default or an Event of Default (other than an Event of Default included in Section 5.01(a), Section 5.01(b) and Section 5.01(c) hereof), and such knowledge shall not be imparted to the Trustee, unless a Responsible Officer of the Trustee has received written notice of such default or Event of Default from the Company or any Holder of an Outstanding Security of the relevant series and such notice references the specific default or Event of Default under the Securities of such series and this Indenture, and is given in the manner required by Section 1.05 hereof;

(h) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder;

(i) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it;

(j) the rights, privileges, protections, immunities and benefits given to the Trustee pursuant to this Indenture, including, without limitation, the indemnification of the Trustee pursuant to Section 6.07(a)(iii), are extended to, and shall be enforceable by, the Trustee, the Security Registrar, transfer agent, Paying Agent and each other agent, custodian and other Person employed to act hereunder, *provided,* that each such Person shall be deemed to have acknowledged, accepted and agreed to be bound, and will be bound, by Article 15 hereof, on the same terms as the Trustee, with respect to any BRRD Liability of the Company to any such Person;

(k) under no circumstances will the Trustee be liable to the Company for any special, indirect, punitive or consequential loss (being loss of business, goodwill, opportunity or profit) even if advised of the possibility of such loss or damage;

(l) the Trustee may request that the Company deliver an Officer's Certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture;

(m) the permissive rights of the Trustee enumerated herein shall not be construed as duties;

(n) the Trustee will not be liable if prevented or delayed in performing any of its obligations by reason of any present or future law applicable to it, by any governmental or regulatory authority or by any circumstance beyond its control;

(o) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith and reasonably and actually believed by it to be authorized or within the rights or powers conferred upon it pursuant to Section 5.12;

(p) in no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of, or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God; it being understood that the Trustee shall use reasonable best efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances; and

(q) following the occurrence of an Event of Default, the Trustee shall be entitled to require all agents (including the Paying Agent) to act pursuant to its instruction.

Section 6.03. *Notice of Defaults*. Within 90 days after the occurrence of any default hereunder known to the Trustee with respect to the Securities of any series, the Trustee shall transmit by mail to all Holders of Securities of such series entitled to receive reports pursuant to Section 7.03(c), notice of such default hereunder, unless such default shall have been cured or waived; *provided, however,* that except in the case of a default in the payment of the principal of (or premium, if any), or interest, if any, on, or Additional Amounts with respect to, any Security of such series, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors and/or Responsible Officers of the Trustee in good faith determine that the withholding of such notice is in the best interest of the Holders of Securities of such series. For the purpose of this Section, the term "*default*" means any event which is, or after notice or lapse of time or both would become, an Event of Default with respect to Securities of such series.

Section 6.04. *Not Responsible for Recitals or Issuance of Securities*. The recitals contained herein and in the Securities, except the Trustee's certificate of authentication, shall be taken as the statements of the Company and neither the Trustee nor any Authenticating Agent assumes any responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Securities, except that the Trustee represents that it is duly authorized to execute and deliver this Indenture, authenticate the Securities and perform its obligations hereunder and that the statements made by it in a Statement of Eligibility and Qualification on Form T-1 supplied to the Company are true and accurate, subject to the qualifications set forth therein. Neither the Trustee nor any Authenticating Agent shall be accountable for the use or application by the Company of the Securities or the proceeds thereof.

Section 6.05. *May Hold Securities.* The Trustee, any Authenticating Agent, any Paying Agent, any Security Registrar or any other Person that may be an agent of the Trustee or the Company, in its individual or any other capacity, may become the owner or pledgee of Securities and, subject to Sections 310(b) and 311 of the Trust Indenture Act, may otherwise deal with the Company with the same rights it would have if it were not Trustee, Authenticating Agent, Paying Agent, Security Registrar or such other Person.

Section 6.06. *Money Held in Trust.* Except as provided in Section 4.03 and Section 10.03, money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law and shall be held uninvested. The Trustee shall be under no liability for interest on any money received by it hereunder.

Section 6.07. *Compensation and Reimbursement.* (a) The Company agrees:

(i) to pay to the Trustee from time to time reasonable compensation for all services rendered by the Trustee hereunder as agreed between the Company and the Trustee (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(ii) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to the Trustee's negligence or bad faith; and

(iii) to indemnify the Trustee (which for the purposes of this Section 6.07(a)(iii) shall include its officers, directors, employees and agents acting on behalf of the Trustee) for, and to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder, except to the extent that any such loss, liability or expense may be attributable to its negligence or bad faith.

(b) As security for the performance of the obligations of the Company under this Section, the Trustee shall have a lien prior to the Securities of any series upon all property and funds held or collected by the Trustee as such, except funds held in trust for the payment of principal of, and premium or interest on or any Additional Amounts with respect to Securities.

(c) Any compensation or expense incurred by the Trustee after a default specified by Section 5.01 is intended to constitute an expense of administration under any then applicable bankruptcy or insolvency law. "Trustee" for purposes of this Section 6.07 shall include any predecessor Trustee but the negligence or bad faith of any Trustee shall not affect the rights of any other Trustee under this Section 6.07. The provisions of this Section 6.07 shall survive the resignation or removal of the Trustee and the satisfaction, discharge or termination of this Indenture including any termination under any bankruptcy law and (without prejudice to Section 15.02 of this Indenture if, and to the extent applicable, as set out therein) any exercise of the Spanish Bail-in Power with respect to the Securities of any series.

(d) In addition, and without prejudice to the rights provided to the Trustee under any of the provisions of this Indenture, when the Trustee incurs expenses or renders services after an Event of Default specified in Sections 5.01(f), (g), (h) and (i) hereof occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended, to the extent permitted under applicable law, to constitute expenses of administration under any bankruptcy law.

(e) For the avoidance of doubt, any and all amounts due and owing to the Trustee under this Section 6.07 shall be payable within 6 (six) days of the date on which the Trustee can demand payment hereunder for purposes of this Indenture and for purposes of Article 42(1)(e) and Article 46 of Law 11/2015.

Section 6.08. *Corporate Trustee Required; Eligibility.* There shall at all times be a Trustee hereunder that is a Corporation, organized and doing business under the laws of the United States or of any state or territory or of the District of Columbia (or a corporation or other person permitted to act as Trustee by the Commission), eligible under Sections 310(a)(1), 310(a)(5) and 310(b) of the Trust Indenture Act to act as trustee under an indenture qualified under the Trust Indenture Act and that has a combined capital and surplus (computed in accordance with Section 310(a)(2) of the Trust Indenture Act) of at least $50,000,000 subject to supervision or examination by U.S. federal or state authority. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

Section 6.09. *Resignation and Removal; Appointment of Successor.* (a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee pursuant to Section 6.10.

(b) The Trustee may resign at any time with respect to the Securities of one or more series by giving written notice thereof to the Company. If the instrument of acceptance by a successor Trustee required by Section 6.10 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to such series.

(c) The Trustee may be removed at any time with respect to the Securities of any series by Act of the Holders of a majority in principal amount of Outstanding Securities of such series.

(d) If at any time:

(i) the Trustee shall fail to comply with the obligations imposed upon it under Section 310(b) of the Trust Indenture Act with respect to Securities of any series after written request therefor by the Company or any Holder of a Security of such series who has been a bona fide Holder of a Security of such series for at least six months, or

(ii) the Trustee shall cease to be eligible under Section 6.08 and shall fail to resign after written request therefor by the Company or any such Holder, or

(iii) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (A) the Company, by or pursuant to a Company Order, may remove the Trustee with respect to all Securities or the Securities of such series, or (B) subject to Section 315(e) of the Trust Indenture Act, any Holder of a Security who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Securities of such series and the appointment of a successor Trustee or Trustees with respect to such series of Securities.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, with respect to the Securities of one or more series, the Company, by or pursuant to a Company Order, shall promptly appoint a successor Trustee or Trustees with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any particular series) and shall comply with the applicable requirements of Section 6.10. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Securities of any series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment in accordance with the applicable requirements of Section 6.10, become the successor Trustee with respect to the Securities of such series and to that extent supersede the successor Trustee appointed by the Company. If no successor Trustee with respect to the Securities of any series shall have been so appointed by the Company or the Holders of Securities and accepted appointment in the manner required by Section 6.10, any Holder of a Security who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

(f) The Company shall give notice of each resignation and each removal of the Trustee with respect to the Securities of any series and each appointment of a successor Trustee with respect to the Securities of any series by instructing such successor Trustee to mail written notice of such event by first class mail, postage prepaid, to the Holders of Securities, if any, of such series as their names and addresses appear in the Security Register. Each notice shall include the name of the successor Trustee with respect to the Securities of such series and the address of its Corporate Trust Office.

Section 6.10. *Acceptance of Appointment by Successor.*

(a) Upon the appointment hereunder of any successor Trustee with respect to all Securities, such successor Trustee so appointed shall execute, acknowledge and deliver to the Company and the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties hereunder of the retiring Trustee but, on the request of the Company or such successor Trustee, such retiring Trustee, upon payment of its charges, shall execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and, subject to Section 10.03, shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder, subject nevertheless to its claim, if any, provided for in Section 6.07.

(b) Upon the appointment hereunder of any successor Trustee with respect to the Securities of one or more (but not all) series, the Company, the retiring Trustee and such successor Trustee shall execute and deliver an indenture supplemental hereto wherein each successor Trustee shall accept such appointment and which (i) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, such successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, (ii) if the retiring Trustee is not retiring with respect to all Securities, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (iii) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust, that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee and that no Trustee shall be responsible for any notice given to, or received by, or any act or failure to act on the part of any other Trustee hereunder, and, upon the execution and delivery of such supplemental indenture, the resignation or removal of the retiring Trustee shall become effective to the extent provided therein, such retiring Trustee shall have no further responsibility for the exercise of rights and powers or for the performance of the duties and obligations vested in the Trustee under this Indenture with respect to the Securities of that or those series to which the appointment of such successor Trustee relates other than as hereinafter expressly set forth, and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates; but, on request of the Company or such successor Trustee, such retiring Trustee, upon payment of its charges with respect to the Securities of that or those series to which the appointment of such successor relates and subject to Section 10.03 shall duly assign, transfer and deliver to such successor Trustee, to the extent contemplated by such supplemental indenture, the property and money held by such retiring Trustee hereunder with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, subject to its claim, if any, provided for in Section 6.07.

(c) Upon request of any Person appointed hereunder as a successor Trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in paragraph (a) or (b) of this Section, as the case may be.

(d) No Person shall accept its appointment hereunder as a successor Trustee with respect to the Securities of a series unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

Section 6.11. *Merger, Conversion, Consolidation or Succession to Business.* Any Corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any Corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any Corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such Corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto other than the provision of written notice to the Company. In case any Securities shall have been authenticated but not delivered by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities.

Section 6.12. *Preferential Collection of Claims Against Company*. If and when the Trustee shall be or become a creditor of the Company (or any other obligor upon the Securities), the Trustee shall be subject to the provisions of the Trust Indenture Act regarding the collection of claims against the Company (or any such other obligor).

Section 6.13. *Appointment of Authenticating Agent.* (a) The Trustee may appoint one or more Authenticating Agents acceptable to the Company with respect to one or more series of Securities which shall be authorized to act on behalf of the Trustee to authenticate Securities of that or those series issued upon original issue, exchange, registration of transfer, partial redemption or pursuant to Section 3.06,

and Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Wherever reference is made in this Indenture to the authentication and delivery of Securities by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Notwithstanding any other provision of this Indenture, the Securities shall be issued and authenticated in New York.

(b) Each Authenticating Agent shall be acceptable to the Company and, except as provided in or pursuant to this Indenture, shall at all times be a corporation that would be permitted by the Trust Indenture Act to act as trustee under an indenture qualified under the Trust Indenture Act, is authorized under applicable law and by its charter to act as an Authenticating Agent and has a combined capital and surplus (computed in accordance with Section 310(a)(2) of the Trust Indenture Act) of at least $50,000,000. If at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect specified in this Section.

(c) Any Corporation into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any Corporation resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any Corporation succeeding to the corporate agency, corporate trust or business of an Authenticating Agent, shall be the successor of such Authenticating Agent hereunder, *provided* such Corporation shall be otherwise eligible under this Section, without the execution or filing of any paper or any further act on the part of the Trustee or the Authenticating Agent.

(d) An Authenticating Agent may resign at any time by giving written notice thereof to the Trustee and the Company. The Trustee may at any time terminate the agency of an Authenticating Agent by giving written notice thereof to such Authenticating Agent and the Company.

Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, the Trustee may appoint a successor Authenticating Agent which shall be acceptable to the Company and shall mail written notice of such appointment by first-class mail, postage prepaid, to all Holders of Securities, if any, of the series with respect to which such Authenticating Agent shall serve, as their names and addresses appear in the Security Register. Any successor Authenticating Agent, upon acceptance of its appointment hereunder, shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section.

(e) The Company agrees to pay each Authenticating Agent from time to time reasonable compensation for its services under this Section.

(f) The provisions of Sections 3.08, 6.04 and 6.05 shall be applicable to each Authenticating Agent.

(g) If an Authenticating Agent is appointed with respect to one or more series of Securities pursuant to this Section, the Securities of such series may have endorsed thereon, in addition to or in lieu of the Trustee's certificate of authentication, an alternate certificate of authentication in the following form:

This is one of the Securities of the series designated herein referred to in the within-mentioned Indenture.

The Bank of New York Mellon, as Trustee

By: _____
As Authenticating Agent

By: _____
Authorized Signatory

If all of the Securities of any series may not be originally issued at one time, and if the Trustee does not have an office capable of authenticating Securities upon original issuance located in a Place of Payment where the Company wishes to have Securities of such series authenticated upon original issuance, the Trustee, if so requested in writing (which writing need not be accompanied by or contained in an Officer's Certificate by the Company), shall appoint in accordance with this Section an Authenticating Agent having an office in a Place of Payment designated by the Company with respect to such series of Securities.

Section 6.14. *Disqualification; Conflicting Interests.* If the Trustee has or shall acquire a conflicting interest within the meaning of the Trust Indenture Act, the Trustee shall either eliminate such interest or resign, to the extent and in the manner provided by, and subject to the provisions of, the Trust Indenture Act and this Indenture. To the extent permitted by the Trust Indenture Act the Trustee shall not be deemed to have a conflicting interest by virtue of being a trustee under this Indenture with respect to Securities of more than one series.

Section 6.15 *Tax Compliance*. In order to enable the Trustee and the Paying Agent to comply with applicable tax laws (inclusive of rules, regulations and interpretations promulgated by competent authorities) in effect from time to time, including, without limitation FATCA (as defined herein) ("**Applicable Tax Law**") that the Company, Trustee or Paying Agent is subject to, the Company agrees (i) to cooperate in good faith with the Trustee and the Paying Agent by providing information, to the extent within the Company's possession, and to the extent permitted by applicable law, about the parties and/or Securities (including any modification to the terms of such Securities) that is reasonably necessary for such entity to determine whether it has tax related obligations under Applicable Tax Law and (ii) that the Trustee and each Paying Agent shall be entitled to make any withholding or deduction from payments to the extent necessary to comply with Applicable Tax Law. For the avoidance of doubt, neither the Trustee nor any Paying Agent shall have any obligation to gross up any payment hereunder or pay any additional amount or otherwise indemnify a Holder as a result of such withholding tax. The terms of this section shall survive the termination of this Indenture or the resignation or removal of the Trustee or any Paying Agent.

ARTICLE 7

HOLDER'S LISTS AND REPORTS BY TRUSTEE AND COMPANY

Section 7.01. *Company to Furnish Trustee Names and Addresses of Holders.* In accordance with Section 312(a) of the Trust Indenture Act, the Company shall for so long as any Securities of any series are Outstanding furnish or cause to be furnished to the Trustee:

(a) semi-annually with respect to such Securities upon such dates as are set forth in or pursuant to the Board Resolution or indenture supplemental hereto authorizing such series, a list, in each case in such form as the Trustee may reasonably require, of the names and addresses of Holders as of the applicable date, and

(b) at such other times as the Trustee may request in writing, within 30 days after the receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished.

Notwithstanding the foregoing, the Company need not furnish or cause to be furnished to the Trustee pursuant to this Section 7.01 the names and addresses of Holders of Securities with respect to which the Trustee is the Security Registrar.

Section 7.02. *Preservation of Information; Communications to Holders.* (a) The Trustee shall comply with the obligations imposed upon it pursuant to Section 312 of the Trust Indenture Act.

(b) Every Holder of Securities, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company, the Trustee, any Paying Agent or any Security Registrar shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the Holders of Securities in accordance with Section 312(c) of the Trust Indenture Act, regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under Section 312(b) of the Trust Indenture Act.

Section 7.03. *Reports by Trustee.* (a) Within 60 days after May 15 of each year commencing with the first May 15 following the first issuance of Securities pursuant to Section 3.01, if required by Section 313(a) of the Trust Indenture Act, the Trustee shall transmit, pursuant to Section 313(c) of the Trust Indenture Act, a brief report dated as of such May 15 with respect to any of the events specified in said Section 313(a) which may have occurred since the later of the immediately preceding May 15 and the date of this Indenture.

(b) The Trustee shall transmit the reports required by Section 313(b) of the Trust Indenture Act at the times specified therein.

(c) Reports pursuant to this Section shall be transmitted in the manner and to the Persons required by Sections 313(c) and 313(d) of the Trust Indenture Act.

Section 7.04. *Reports by Company.* The Company, pursuant to Section 314(a) of the Trust Indenture Act, shall for so long as any Securities of any series are Outstanding:

(a) file with the Trustee, within 15 days after the Company files the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Company may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934;

(b) file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional information, documents and reports with respect to compliance by the Company, with the conditions and covenants of this Indenture as may be required from time to time by such rules and regulations; and

(c) transmit within 30 days after the filing thereof with the Trustee, in the manner and to the extent provided in Section 313(c) of the Trust Indenture Act, such summaries of any information, documents and reports required to be filed by the Company pursuant to paragraphs (a) and (b) of this Section as may be required by rules and regulations prescribed from time to time by the Commission.

Delivery of reports, information and documents to the Trustee pursuant to this Section is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein, including compliance by the Company with any of its covenants hereunder, as to which the Trustee is entitled to rely exclusively on Officer's Certificates.

ARTICLE 8

CONSOLIDATION, MERGER AND SALES; ASSUMPTION

Section 8.01. *Company May Consolidate, etc.* Subject to Section 5.01, nothing contained in this Indenture or in any of the Securities shall prevent any consolidation, amalgamation or merger of the Company with or into any other Person or Persons (whether or not affiliated with the Company), or successive consolidations, amalgamations or mergers in which the Company or the successor or successors of the Company shall be a party or parties, or shall prevent any sale, conveyance or lease of the property of the Company as an entirety or substantially as an entirety, to any other Person (whether or not affiliated with the Company); *provided that* the Person formed by or into which the Company is consolidated, amalgamated or merged shall assume the due and punctual payment of the principal of (and premium, if any), interest and Additional Amounts, if any, on all Securities in accordance with the provisions of such Securities and this Indenture, and the performance of every covenant of this Indenture on the part of the Company to be performed or observed.

Section 8.02. *Successor Person Substituted.* In the event of any merger, consolidation, sale, conveyance or lease permitted by Section 8.01 and Section 5.01 above or any assumption of obligations permitted by Section 8.03, Additional Amounts under the Securities will thereafter be payable in respect of taxes imposed by the acquiring Person's, or the resulting Person's, or the successor Person's, jurisdiction of incorporation or tax residence (subject to exceptions equivalent to those that apply to the obligation to pay Additional Amounts pursuant to Section 10.04 in respect of taxes imposed by the laws of the Kingdom of Spain) rather than taxes imposed by the Kingdom of Spain. Additional Amounts with respect to payments of interest or principal due prior to the date of such merger, consolidation, sale, conveyance or lease will be payable only in respect of taxes imposed by the Kingdom of Spain. The acquiring, resulting or successor Person, as the case may be, will also be entitled to redeem the Securities in the circumstances described in Section 11.08(a) with respect to any change or amendment to, or change in the application or official interpretation of the laws or regulations of such Person's jurisdiction of incorporation or tax residence, which change or amendment must occur subsequent to the date of any merger, consolidation, sale, conveyance or lease permitted by Section 8.01 and Section 5.01 or the assumption of obligations permitted by Section 8.03, as the case may be, if the successor entity is not incorporated or tax resident in the Kingdom of Spain. In the event of assumption of the Company's obligations in connection with a merger, consolidation, sale, conveyance or lease of substantially all of its assets, the Company shall be released from all obligations and covenants under this Indenture or the Securities, as the case may be.

Section 8.03. *Assumption of Obligations*. With respect to the Securities of any series, unless otherwise specified in accordance with Section 3.01, any holding company of the Company or any wholly-owned subsidiary of the Company (a "**successor entity**") may without the consent of any Holder assume the obligations of the Company (or any Person which shall have previously assumed the obligations of the Company) for the due and punctual payment of the principal, interest, Additional Amounts, premium (if any) and sinking fund payments (if any) on any series of Securities in accordance with the provisions of such Securities and this Indenture and the performance of every covenant of this Indenture and such series of Securities on the part of the Company to be performed or observed, provided that:

(a) the successor entity shall expressly assume such obligations by an amendment to this Indenture, executed by the Company and such successor entity, if applicable, and delivered to the Trustee, in a form satisfactory to the Trustee;

(b) immediately after giving effect to such assumption of obligations, no Event of Default and no event which, after notice or lapse of time or both, would become an Event of Default, shall have occurred and be continuing;

(c) the Company shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such assumption complies with this Article and that all conditions precedent herein provided for relating to such assumption have been complied with; and

(d) immediately prior to such assumption, the successor entity shall have ratings for long-term senior debt assigned by Standard & Poor's Ratings Services or Moody's Investors Service, Inc. (or their respective successors) which are the same as, or higher than, the credit rating for long-term senior debt of the Company (or, if applicable, the previous successor entity) assigned by Standard & Poor's Ratings Services or Moody's Investors Service, Inc. (or their respective successors).

Upon any such assumption, the successor entity shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with respect to any such Securities with the same effect as if such successor entity had been named as the Company in this Indenture, and the Company or any legal and valid successor Person which shall theretofore have become such in the manner prescribed herein, shall be released from all liability as obligor upon any such Securities except as provided in clause (a) of this Section 8.03.

ARTICLE 9
SUPPLEMENTAL INDENTURES

Section 9.01. *Supplemental Indentures Without Consent of Holders.* Without the consent of any Holders of a series of Securities, the Company and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any of the following purposes:

(a) to evidence the succession of another Person to the Company, and the assumption by any such successor of the covenants of the Company herein and in the Securities; or

(b) to add to the covenants of the Company for the benefit of the Holders of all or any series of Securities (as shall be specified in such supplemental indenture or indentures) or to surrender any right or power herein conferred upon the Company; or

(c) to establish the form or terms of Securities of any series as permitted by Sections 2.01 and 3.01; or

(d) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more series and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Section 6.10; or

(e) to cure any ambiguity or to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Indenture which shall not adversely affect the interests of the Holders of Securities of any series in any material respect; or

(f) to add to, delete from or revise the conditions, limitations and restrictions on the authorized amount, terms or purposes of issue, authentication and delivery of Securities, as herein set forth; or

(g) to supplement any of the provisions of this Indenture to such extent as shall be necessary to permit or facilitate the defeasance and discharge of any series of Securities pursuant to Article 4; *provided* that any such action shall not adversely affect the interests of any Holder of a Security of such series or any other Security in any material respect; or

(h) to add any additional Events of Default for the benefit of the Holders of all or any series of Securities; or

(i) to secure the Securities; or

(j) to delete, amend or supplement any provision contained herein or in any supplemental indenture, *provided* that no such amendment or supplement shall materially adversely affect the interests of the Holders of any Securities then Outstanding; or

(k) to delete, amend or supplement any provision contained herein or in any supplemental indenture as a result of, and to the extent required by, the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority.

Section 9.02. *Supplemental Indentures with Consent of Holders.* (a) With the consent, as evidenced in an Act or Acts, as the case may be, of the Holders of not less than a majority in principal amount of the Outstanding Securities of each such series affected by such supplemental indenture voting as a class, the Company and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Holders of Securities of such series under this Indenture and of waiving future compliance with respect to the Indenture; *provided, however,* that no such supplemental indenture, without the consent of the Holder of each Outstanding Security affected thereby, shall

(i) change the Stated Maturity of the principal of, or any premium or installment of interest on or any Additional Amounts with respect to, any Security, or reduce the principal amount thereof or the rate of interest thereon (except that Holders of not less than 75% in principal amount of Outstanding Securities of a series may consent by Act, on behalf of the Holders of all of the Outstanding Securities of such series, to the postponement of the Stated Maturity of any installment of interest for a period not exceeding three years from the original Stated Maturity of such installment (which original Stated Maturity shall have been fixed,

for the avoidance of doubt, prior to any previous postponements of such installment)) or any Additional Amounts with respect thereto, or any premium payable upon the redemption thereof or otherwise, or change the obligation of the Company to pay Additional Amounts pursuant to Section 10.04 (except as contemplated by Section 3.07 and permitted by Section 9.01(a)), or reduce the amount of the principal of an Original Issue Discount Security that would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 5.02 or the amount thereof provable in bankruptcy pursuant to Section 5.04, or change the redemption provisions or adversely affect the right of repayment at the option of any Holder as contemplated by Article 13, or change the Place of Payment, Currency in which the principal of, any premium or interest on, or any Additional Amounts with respect to any Security is payable, or impair the right to institute suit for the enforcement of any such payment on or with respect to any Security on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date or, in the case of repayment at the option of the Holder, on or after the date for repayment), or

(ii) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture, or reduce the requirements for a quorum or voting, or

(iii) modify any of the provisions of this Section or Section 5.13, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Security affected thereby, or

(iv) change in any manner adverse to the interests of the Holders of Outstanding Securities of any series the terms and conditions of the obligations of the Company in respect of the due and punctual payment of the principal thereof (and premium, if any) and interest, if any, thereon or any sinking fund payments, if any, provided for in respect thereof,

except in each case with respect to any modification or amendment of the Indenture pursuant to a supplemental indenture which is entered into as a result of, and to the extent required by, the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority (in which case neither the consent nor the affirmative vote of any Holder of an Outstanding Security affected shall be required).

(b) A supplemental indenture which changes or eliminates any covenant or other provision of this Indenture which shall have been included expressly and solely for the benefit of one or more particular series of Securities, or which modifies the rights of the Holders of Securities of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the Holders of Securities of any other series.

(c) It shall not be necessary for any Act of Holders of Securities under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

Section 9.03. *Execution of Supplemental Indentures.* As a condition to executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trust created by this Indenture, the Trustee shall be entitled to receive, in addition to the documents required by Section 1.02, and (subject to Section 315 of the Trust Indenture Act) shall be fully protected in relying upon, an Opinion of Counsel and Officer's Certificate, each stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Section 9.04. *Effect of Supplemental Indentures.* Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith and such supplemental indenture shall form a part of this Indenture for all purposes and every Holder of a Security of a series affected thereby theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

Section 9.05. *Reference in Securities to Supplemental Indentures.* Securities of any series authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Securities of any series so modified as to conform, in the opinion of the Trustee and the Company, to any such supplemental indenture may be prepared and executed by the Company and such Securities may be authenticated and delivered by the Trustee in exchange for outstanding Securities of such series.

Section 9.06. *Conformity with Trust Indenture Act.* Every supplemental indenture executed pursuant to this Article shall conform to the requirements of the Trust Indenture Act as then in effect.

ARTICLE 10
COVENANTS

Section 10.01. *Payment of Principal and Any Premium, Interest and Additional Amounts.* The Company covenants and agrees for the benefit of the Holders of the Securities of each series that it will duly and punctually pay the principal of, any premium and interest on and any Additional Amounts with respect to, the Securities of such series in accordance with, and except as provided in, the terms thereof and this Indenture.

Section 10.02. *Maintenance of Office or Agency.* The Company shall maintain in each Place of Payment for any series of Securities an Office or Agency where Securities of such series may be presented or surrendered for payment, where Securities of such series may be surrendered for registration of transfer or exchange, and where notices and demands to or upon the Company in respect of the Securities of such series relating thereto and this Indenture may be served.

The Company may also from time to time designate one or more other Offices or Agencies where the Securities of one or more series may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided, however,* that no such designation or rescission shall in any manner relieve the Company of their obligation to maintain an Office or Agency in each Place of Payment for Securities of any series for such purposes. The Company shall give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other Office or Agency. The Company hereby designates as the Place of Payment for each series the Borough of Manhattan, The City of New York, and initially appoints The Bank of New York Mellon, located at 101 Barclay Street, New York, NY 10286, United States for such purpose. Pursuant to Section 3.01(h), the Company may subsequently appoint a place or places in the Borough of Manhattan, The City of New York where such Securities may be payable. The Company initially appoints The Bank of New York Mellon, acting through its London Branch, as Paying Agent and transfer agent and The Bank of New York Mellon, acting through its Corporate Trust Office, as the Security Registrar.

Unless otherwise specified with respect to any Securities pursuant to Section 3.01, if and so long as the Securities of any series (i) are denominated in a Foreign Currency or (ii) may be payable in a Foreign Currency, or so long as it is required under any other provision of this Indenture, then the Company will maintain with respect to each such series of Securities, or as so required, at least one exchange rate agent.

Section 10.03. *Money for Securities Payments to be Held in Trust.* If the Company shall at any time act as the Company's Paying Agent with respect to any series of Securities, it shall, on or before each due date of the principal of, any premium or interest on or Additional Amounts with respect to, any of the Securities of such series, segregate and hold in trust for the benefit of the Persons entitled thereto a sum in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 3.01 for the Securities of such series) sufficient to pay the principal or any premium, interest or Additional Amounts so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided, and shall promptly notify the Trustee of its action or failure so to act.

Whenever the Company shall have one or more Paying Agents for any series of Securities, it shall, on or prior to each due date of the principal of, any premium or interest on or any Additional Amounts with respect to, any Securities of such series, deposit with any Paying Agent a sum (in the currency or currencies, currency unit or units or composite currency or currencies described in the preceding paragraph) sufficient to pay the principal or any premium, interest or Additional Amounts so becoming due, such sum to be held in trust for the benefit of the Persons entitled thereto, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of its action or failure so to act.

The Company shall cause each Paying Agent for any series of Securities (unless such Paying Agent is the Trustee) to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent shall:

(i) hold all sums held by it for the payment of the principal of, any premium or interest on or any Additional Amounts with respect to, Securities of such series in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as provided in or pursuant to this Indenture;

(ii) give the Trustee notice of any default by the Company (or any other obligor upon the Securities of such series) in the making of any payment of principal, any premium or interest on or any Additional Amounts with respect to the Securities of such series; and

(iii) at any time during the continuance of any such default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent.

The Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Company Order direct any Paying Agent to pay, to the Trustee all sums held in trust by the Company or such Paying Agent, such sums to be held by the Trustee upon the same terms as those upon which such sums were held by the Company or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such sums.

Except as otherwise provided herein or pursuant hereto, any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of, any premium or interest on or any Additional Amounts with respect to, any Security of any series and remaining unclaimed at the end of two years after such payment of principal or any such premium or interest or any such Additional Amounts has been made shall be repaid to the Company, on Company Request, or (if then held by the Company) shall be discharged from such trust; and the Holder of such Security shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in a newspaper published in the English language, customarily published on each Business Day and of general circulation in the Borough of Manhattan, The City of New York, New York, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 10.04. *Additional Amounts.* The provisions of this Section 10.04 shall be applicable to the Securities of each series except as specifically deleted or modified in or pursuant to the supplemental indenture or Board Resolution creating such series of Securities or in the Officer's Certificate for such series of Securities. Except as otherwise provided herein, the Company hereby further agrees that any amounts to be paid by the Company with respect to each Security shall be paid without deduction or withholding for or on account of any and all present or future taxes or duties of whatever nature ("**Taxes**") unless such withholding or deduction is required by law. In the event any such withholding or deduction is imposed or levied by or on behalf of the Kingdom of Spain or any political subdivision or authority thereof or therein having the power to tax, the Company will pay to the Holder such Additional Amounts in respect of principal, premium, if any, interest, if any, and sinking fund payments, if any, as may be necessary in order that the net amount received by the Holder of such Security under this Indenture, after such deduction or withholding, shall equal the respective amounts of principal, premium, if any, interest, if any, and sinking fund payments, if any, as specified in the Security to which such Holder or the Trustee would be entitled if no such deduction or withholding had been made; *provided, however,* that the foregoing obligation to pay Additional Amounts will not apply:

(a) to, or to a third party on behalf of, a Holder who is liable for such Taxes by reason of such Holder (or the beneficial owner of the Security for whose benefit such Holder holds such Security) having some connection with the Kingdom of Spain other than the mere holding of the Security (or such beneficial interest) or the mere crediting of the Security to its securities account with the relevant Depository;

(b) in the case of a Security presented for payment (where presentation is required) more than 30 days after the Relevant Date (as defined below) except to the extent that the Holder would have been entitled to Additional Amounts on presenting the same for payment on such thirtieth day assuming that day to have been a business day in such place of presentment;

(c) in respect of any tax, assessment or other governmental charge that would not have been imposed but for the failure by the Holder or beneficial owner of the Security to comply with certification, information or other reporting requirements concerning the nationality, residence or identity of the Holder or beneficial owner of that Security, if compliance is required by statute or by regulation of Spain or of any political subdivision or taxing authority thereof or therein as a precondition to reduction of or relief or exemption from the tax, assessment or other governmental charge;

(d) in respect of any Security presented for payment (where presentation is required) by or on behalf of a Holder who would be able to avoid such withholding or deduction by presenting the relevant Security to another Paying Agent; or

(e) in the event that the Securities are redeemed pursuant to Section 11.08(b) hereof.

Additional Amounts will also not be paid with respect to any payment on any Security to any Holder who is a fiduciary, partnership, limited liability company or Person other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of the Kingdom of Spain (or any political subdivision thereof) to be included in the income, for Spanish tax purposes, of a beneficiary or settlor with respect to such fiduciary, member of such partnership, interest holder in that limited liability company or beneficial owner who would not have been entitled to such Additional Amounts had it been a Holder of such Security.

No Additional Amounts will be paid by the Company or any paying agent on account of any deduction or withholding from a payment on, or in respect of, the Securities where such deduction or withholding is imposed pursuant to any agreement with the U.S. Internal Revenue Service in connection with Sections 1471-1474 of the U.S. Internal Revenue Code and the U.S. Treasury regulations thereunder ("**FATCA**"), any intergovernmental agreement between the United States and Spain or any other jurisdiction with respect to FATCA, or any law, regulation or other official guidance enacted in any jurisdiction implementing, or relating to, FATCA or any intergovernmental agreement.

For the purposes of (b) above, the "**Relevant Date**" means, in respect of any payment, the date on which any payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the Paying Agent on or prior to such due date, it means the first date on which the full amount of such moneys having been so received and being available for payment to Holders, notice to that effect shall have been duly given to the Holders in accordance with this Indenture.

Whenever in this Indenture there is mentioned, in any context, the payment of the principal of or any premium or interest on, or in respect of, any Security of any series, such mention shall be deemed to include mention of the payment of Additional Amounts provided by the terms of such series established hereby or pursuant hereto to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to such terms, and express mention of the payment of Additional Amounts (if applicable) in any provision hereof shall not be construed as excluding Additional Amounts in those provisions hereof where such express mention is not made.

Section 10.05. *Statement by Officers as to Default.* For so long as any Securities of any series are Outstanding, the Company will deliver to the Trustee, within 120 days after the end of its fiscal years ending after the date hereof, a brief certificate, complying with Section 314(e) of the Trust Indenture Act, from the principal executive, financial or accounting officer of the Company, stating whether or not to the best knowledge of the signer or signers thereof the Company is in default in the performance and observance of any of the terms, provisions, covenants or conditions of this Indenture (such compliance to be determined without regard to any period of grace or requirement of notice provided hereunder).

Section 10.06. *Corporate Existence.* Subject to Article 8, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence; *provided, however,* that the foregoing shall not obligate the Company to preserve any such right or franchise if the Company shall determine that the preservation thereof is no longer desirable in the conduct of its business and that the loss thereof is not disadvantageous in any material respect to any Holder.

Section 10.07. *Waiver of Certain Covenants.* Except as otherwise specified as contemplated by Section 3.01 for Securities of such series, the Company may, with respect to the Securities of any series, omit in any particular instance to comply with any term, provision or condition set forth in any covenant provided pursuant to Section 9.01(b) or Section 9.01(c) for the benefit of the Holders of Securities of such series or any term, provision or condition set forth in an indenture supplemental hereto, if before the time for such compliance the Holders of at least a majority in principal amount of the Outstanding Securities of such series shall, by Act of such Holders, either waive such compliance in such instance or generally waive compliance with such term, provision or condition, but no such waiver shall extend to or affect such term, provision or condition except to the extent so expressly waived, and, until such waiver shall become effective, the obligations of the Company and the duties of the Trustee in respect of any such term, provision or condition shall remain in full force and effect.

ARTICLE 11
REDEMPTION OF SECURITIES

Section 11.01. *Applicability of Article.* Redemption of Securities of any series at the option of the Company as permitted or required by the terms of such Securities shall be made in accordance with the terms of such Securities and (except as otherwise provided herein or pursuant hereto) this Article.

Section 11.02. *Election to Redeem; Notice to Trustee.* The election of the Company to redeem any Securities shall be evidenced by a Board Resolution or approved by a person authorized to make such election pursuant to a Board Resolution. In case of any redemption at the election of the Company of (a) less than all of the Securities of any series or (b) all of the Securities of any series, with the same interest rate, Stated Maturity and other terms, the Company shall, at least 30 days prior to the Redemption Date fixed by the Company (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date and of the principal amount (or in the case of Original Issue Discount Security, the original issue amount) of Securities of such series to be redeemed. In the case of any redemption of Securities prior to the expiration of any restrictions on redemption provided in the terms of such Securities or elsewhere in this Indenture, the Company shall furnish the Trustee with an Officer's Certificate evidencing compliance with such restriction.

Section 11.03. *Selection by Trustee of Securities to be Redeemed.* If less than all of the Securities of any series with the same interest rate, Stated Maturity and other terms are to be redeemed, the particular Securities to be redeemed shall be selected not more than 45 days prior to the Redemption Date by the Trustee from the Outstanding Securities of such series not previously called for redemption, by lot and may provide for the selection for redemption of portions of the principal amount (or in the case of an Original Issue Discount Security, the original issue amount) of Securities of such series; *provided, however,* that no such partial redemption shall reduce the portion of the principal amount (or in the case of an Original Issue Discount Security, the original issue amount) of a Security of such series not redeemed to less than the minimum denomination for a Security of such series established herein or pursuant hereto.

The Trustee shall promptly notify the Company and the Security Registrar (if other than itself) in writing of the Securities selected for redemption and, in the case of any Securities selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Securities redeemed or to be redeemed only in part, to the portion of the principal of such Securities which has been or is to be redeemed.

Section 11.04. *Notice of Redemption.* Notice of redemption shall be given in the manner provided in Section 1.06, not less than 30 nor more than 60 days prior to the Redemption Date, unless a shorter period is specified in the Securities to be redeemed, to the Holders of Securities to be redeemed. Failure to give notice by mailing in the manner herein provided to the Holder of any Securities designated for redemption as a whole or in part, or any defect in the notice to any such Holder, shall not affect the validity of the proceedings for the redemption of any other Securities or portion thereof.

Any notice that is mailed to the Holder of any Securities in the manner herein provided shall be conclusively presumed to have been duly given, whether or not such Holder receives the notice.

All notices of redemption shall state:

(i) the Redemption Date,

(ii) the Redemption Price,

(iii) if less than all Outstanding Securities of any series are to be redeemed, the identification (and, in the case of partial redemption, the principal amount (or in the case of an Original Issue Discount Security, the original issue amount)) of the particular Security or Securities to be redeemed,

(iv) in case any Security is to be redeemed in part only, the notice which relates to such Security shall state that on and after the Redemption Date, upon surrender of such Security, the Holder of such Security will receive, without charge, a new Security or Securities of authorized denominations for the principal amount thereof remaining unredeemed,

(v) that, on the Redemption Date, the Redemption Price shall become due and payable upon each such Security or portion thereof to be redeemed, and, if applicable, that interest thereon shall cease to accrue on and after said date,

(vi) the place or places where such Securities maturing after the Redemption Date, are to be surrendered for payment of the Redemption Price and any accrued interest and Additional Amounts pertaining thereto,

(vii) that the redemption is for a sinking fund, if such is the case, and

(viii) the CUSIP number or the Euroclear Bank. S.A./N.V. and Clearstream Banking, *société anonyme*, reference number of such Securities, if any (or any other numbers used by a Depository to identify such Securities).

Except as otherwise provided herein, notice of redemption published as contemplated by Section 1.06 need not identify particular Securities to be redeemed.

Notice of redemption of Securities to be redeemed at the election of the Company shall be given by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company.

If the Company or the Holders have elected to redeem the Securities of any series but prior to the deposit, with the Trustee or with a Paying Agent as the case may be, of the Redemption Price with respect to such redemption the Relevant Spanish Resolution Authority exercises its Spanish Bail-in Power with respect to such series of Securities, the relevant redemption notice shall be automatically rescinded and shall be of no force and effect, and no payment of the Redemption Price (and any accrued interest and Additional Amounts payable under this Article 11) will be due and payable.

Section 11.05. *Deposit of Redemption Price.* On any Redemption Date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 10.03) an amount of money sufficient to pay the Redemption Price of, and (except if the Redemption Date shall be an Interest Payment Date) any accrued interest on and Additional Amounts with respect thereto, all the Securities or portions thereof which are to be redeemed on that date.

Section 11.06. *Securities Payable on Redemption Date.* Notice of redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Company shall default in the payment of the Redemption Price and accrued interest) such Securities shall cease to bear interest. Upon surrender of any such Security for redemption in accordance with said notice, maturing after the Redemption Date, such Security shall be paid by the Company at the Redemption Price, together with any accrued interest and Additional Amounts to the Redemption Date; *provided, however,* that installments of interest on Securities whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the Regular Record Dates therefor according to their terms and the provisions of Section 3.07.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal and any premium, until paid, shall bear interest from the Redemption Date at the rate prescribed therefor in the Security.

Section 11.07. *Securities Redeemed in Part.* Any Security which is to be redeemed only in part shall be surrendered at any Office or Agency for such Security (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such Security without service charge, a new Security or Securities of the same series, containing identical terms and provisions, of any authorized denomination as requested by such Holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered. If a Global Security is so surrendered, the Company shall execute and the Trustee shall authenticate and deliver to the U.S. Depository or other Depository for such Global Security as shall be specified in the Company Order with respect thereto to the Trustee, without service charge, a new Global Security in a denomination equal to and in exchange for the unredeemed portion of the principal of the Global Security so surrendered.

Section 11.08. *Redemption for Taxation or Listing Reasons.* (a) Unless otherwise provided in the Securities of any series, all (but not less than all) of the Securities of any series may be redeemed in accordance with the terms of this Article 11 at the option of the Company if, as the result of any change in or any amendment to the laws or regulations of the Kingdom of Spain (including any treaty to which Spain is a party) or any political subdivision or any authority or agency thereof or therein having power to tax, or any change

in the application or official interpretation of such laws or regulations, which change, amendment, application or interpretation becomes effective on or after the date of the applicable prospectus supplement relating to such series, either (i) the Company would become obligated to pay Additional Amounts in making any payments under the Securities with respect thereto as a result of any taxes, levies, imposts or other governmental charges imposed (whether by way of withholding or deduction or otherwise) by or for the account of the Kingdom of Spain or any political subdivision or authority thereof or therein having the power to tax, or (ii) the Company would not be entitled to claim a deduction in computing tax liabilities in Spain in respect of any interest to be paid on the next Interest Payment Date on such series of Securities or the value of such deduction to the Company would be materially reduced; *provided that*, in the case of (i) above, no such notice to the Trustee of the redemption shall be given earlier than 60 days prior to the earliest date on which the Company would be obligated to deduct or withhold tax or pay such Additional Amounts were a payment in respect of the Securities then due.

Prior to any notice of redemption of such Securities pursuant to Section 11.04, the Company shall provide the Trustee with (i) an Officer's Certificate of the Company stating that the Company is entitled to effect such redemption and setting forth in reasonable detail a statement of circumstances showing that the conditions precedent to the right of the Company to redeem such Securities pursuant to this Section have been satisfied; and (ii) an Opinion of Counsel to the effect that any of the circumstances referred to in the preceding paragraph prevail.

(b) Unless otherwise provided in the Securities of any series, if the Securities of a series are not listed on an organized market in an OECD country by the date that is 45 days prior to the applicable first Interest Payment Date on the Securities of such series, the Company may, at its option and having given no less than 15 days' notice (ending on a day which is no later than the Business Day immediately preceding such first Interest Payment Date) to the Holders of Securities of such series of Securities in accordance with Section 11.04 (which notice will be irrevocable), redeem all of the outstanding Securities of such series at the Redemption Price; provided that from and including the issue date of such Securities to and including such Interest Payment Date, the Company will use its reasonable efforts to obtain or maintain such listing, as applicable.

ARTICLE 12
SINKING FUNDS

Section 12.01. *Applicability of Article.* The provisions of this Article shall be applicable to any sinking fund for the retirement of Securities of a series, except as otherwise permitted or required by any form of Security of such series issued pursuant to this Indenture.

The minimum amount of any sinking fund payment provided for by the terms of Securities of any series is herein referred to as a "mandatory sinking fund payment", and any payment in excess of such minimum amount provided for by the terms of Securities of such series is herein referred to as an "optional sinking fund payment". If provided for by the terms of Securities of any series, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 12.02. Each sinking fund payment shall be applied to the redemption of Securities of any series as provided for by the terms of Securities of such series.

Section 12.02. *Satisfaction of Sinking Fund Payments with Securities.* The Company may, in satisfaction of all or any part of any sinking fund payment with respect to the Securities of any series to be made pursuant to the terms of such Securities (i) deliver to the Trustee for cancellation Outstanding Securities of such series (other than any of such Securities previously called for redemption or any of such Securities in respect of which cash shall have been released to the Company) and (ii) apply as a credit Securities of such series which have been redeemed either at the election of the Company pursuant to the terms of such series of Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, *provided* that such series of Securities have not been previously so credited. Such Securities shall be received and credited for such purpose by the Trustee at the face amount specified in such Securities for redemption through operation of the sinking fund and the amount of such sinking fund payment shall be reduced accordingly. If as a result of the delivery or credit of Securities of any series in lieu of cash payments pursuant to this Section 12.02, the principal amount of Securities of such series to be redeemed in order to exhaust the aforesaid cash payment shall be less than $100,000, the Trustee need not call Securities of such series for redemption, except upon Company Request, and such cash payment shall be held by the Trustee or a Paying Agent and applied to the next succeeding sinking fund payment, *provided, however,* that the Trustee or such Paying Agent shall at the request of the Company from time to time pay over and deliver to the Company any cash payment so being held by the Trustee or such Paying Agent upon delivery by the Company to the Trustee of Securities of that series purchased by the Company having an unpaid principal amount equal to the cash payment requested to be released to the Company.

Section 12.03. *Redemption of Securities for Sinking Fund.* Not less than 60 days prior to each sinking fund payment date for any series of Securities, the Company shall deliver to the Trustee an Officer's Certificate specifying the amount of the next ensuing mandatory sinking fund payment for that series pursuant to the terms of that series, the portion thereof, if any, which is to be satisfied by payment of cash and the portion thereof, if any, which is to be satisfied by delivering and crediting of Securities of that series pursuant to Section 12.02, and the optional amount, if any, to be added in cash to the next ensuing mandatory sinking fund payment, and will also deliver to the Trustee any Securities to be so credited and not theretofore delivered. If such Officer's Certificate shall specify an optional amount to be added in cash to the next ensuing mandatory sinking fund payment, the Company shall thereupon be obligated to pay the amount therein specified. Not less than 30 days before each such sinking fund payment date the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 11.03 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 11.04. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 11.06 and 11.07.

ARTICLE 13
Repayment at the Option of Holders

Section 13.01. *Applicability of Article.* Securities of any series which are repayable at the option of the Holders thereof before their Stated Maturity shall be repaid in accordance with, and to the extent provided in, the terms of the Securities of such series. The repayment of any principal amount of Securities pursuant to such option of the Holder to require repayment of Securities before their Stated Maturity, for purposes of Section 4.01, shall not operate as a payment, redemption or satisfaction of the indebtedness represented by such Securities unless and until the Company, at its option, shall deliver or surrender the same to the Trustee with a directive that such Securities be cancelled. Notwithstanding anything to the contrary contained in this Section 13.01, in connection with any repayment of Securities, the Company may arrange for the purchase of any Securities by an agreement with one or more investment bankers or other purchasers to purchase such Securities by paying to the Holders of such Securities on or before the close of business on the repayment date an amount not less than the repayment price payable by the Company on repayment of such Securities, and the obligation of the Company to pay the repayment price of such Securities shall be satisfied and discharged to the extent such payment is so paid by such purchasers, it being understood that the foregoing shall not affect the right of the Company to purchase any Security of any series at such price or prices or such time or times as may be agreed.

If a Holder requires repayment of a Security and prior to the payment of the repayment price payable by the Company the Relevant Spanish Resolution Authority exercises its Spanish Bail-in Power with respect to such Security, no payment of such repayment price will be due and payable.

ARTICLE 14
Securities in Foreign Currencies

Section 14.01. *Applicability of Article.* Whenever this Indenture provides for (i) any action by, or the determination of any of the rights of, Holders of Securities of any series in which not all of such Securities are denominated in the same Currency, or (ii) any distribution to Holders of Securities, in the absence of any provision to the contrary in the form of Security of any particular series, any amount in respect of any Security denominated in a currency other than Dollars shall be treated for any such action or distribution as that amount of Dollars that could be obtained for such amount on such reasonable basis of exchange and as of the record date with respect to Securities of such series (if any) for such action, determination of rights or distribution (or, if there shall be no applicable record date, such other date reasonably proximate to the date of such action, determination of rights or distribution) as the Company may specify in a written notice to the Trustee.

ARTICLE 15
Exercise of Spanish Bail-in Power

Section 15.01. *Agreement with Respect to the Exercise of Spanish Bail-in Power.* (a) Notwithstanding any other term of the Securities of any series, the Indenture or any other agreements, arrangements, or understandings between the Company and any Holder, by its acquisition of the Securities of any series, each Holder (which, for the purposes of this Article 15, includes each holder of a beneficial interest in the Securities) acknowledges, accepts, consents to and agrees to be bound by: (i) the exercise and effects of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority, which may be imposed with or without any prior notice with respect to the Securities of any series, and may include and result in any of the following, or some combination thereof: (1) the reduction or cancellation of all, or a portion, of the Amounts Due on the Securities of any series; (2) the conversion of all, or a portion, of the Amounts Due on the Securities of any series into shares, other securities or other obligations of the Company or another Person (and

the issue to or conferral on the Holder of any such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Securities; (3) the cancellation of the Securities of any series; (4) the amendment or alteration of the maturity of the Securities of any series or amendment of the amount of interest payable on the Securities of any series, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and (ii) the variation of the terms of the Securities of any series or the rights of the Holders thereunder or under the Indenture, if necessary, to give effect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority.

(b) By its acquisition of the Securities of any series, each Holder acknowledges and agrees that neither a reduction or cancellation, in part or in full, of the Amounts Due on the Securities of any series or the conversion thereof into another security or obligation of the Company or another Person, in each case as a result of the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Company, nor the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities of a series shall: (i) give rise to a default or event of default for purposes of Section 315(b) (Notice of Default) and Section 315(c) (Duties of the Trustee in Case of Default) of the Trust Indenture Act; or (ii) be a default or an Event of Default with respect to the Securities or under this Indenture. By its acquisition of the Securities of any series, each Holder further acknowledges and agrees that no repayment or payment of Amounts Due on the Securities of any series shall become due and payable or be paid after the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority if, and to the extent that, such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

(c) By its acquisition of the Securities of any series, each Holder, to the extent permitted by the Trust Indenture Act, waives any and all claims, in law and/or in equity, against the Trustee for, agrees not to initiate a suit against the Trustee in respect of, and agrees that the Trustee shall not be liable for, any action that the Trustee takes, or abstains from taking, in either case in accordance with the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities of such series. Additionally, by its acquisition of the Securities of any series, each Holder acknowledges and agrees that, upon the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities of such series: (i) the Trustee shall not be required to take any further directions from the Holders with respect to any portion of the Securities of such series that is written down, converted to equity and/or cancelled under Section 5.12 of this Indenture; and (ii) this Indenture shall not impose any duties upon the Trustee whatsoever with respect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority; *provided, however*, that notwithstanding the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities of a series, so long as any Securities of such series remain outstanding, there shall at all times be a trustee for the Securities of such series in accordance with the Indenture, and the resignation and/or removal of the Trustee and the appointment of a successor trustee shall continue to be governed by this Indenture, including to the extent no additional supplemental indenture or amendment is agreed upon in the event the Securities of such series remain outstanding following the completion of the exercise of the Spanish Bail-in Power.

(d) By its acquisition of the Securities of any series, each Holder shall be deemed to have authorized, directed and requested the relevant Depository (including, if applicable, The Depository Trust Company) and any direct participant therein or other intermediary through which it holds such Securities to take any and all necessary action, if required, to implement the exercise of the Spanish Bail-in Power with respect to the Securities as it may be imposed, without any further action or direction on the part of such Holder.

(e) Upon the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities of any series, the Company or the Relevant Spanish Resolution Authority (as the case may be) shall provide a written notice to the Depository as soon as practicable regarding such exercise of the Spanish Bail-in Power for purposes of notifying the Holders of such Securities. The Company shall also deliver a copy of such notice to the Trustee for information purposes.

(f) If the Company or the Holders have elected to redeem the Securities of any series but prior to the deposit, with the Trustee or with a Paying Agent as the case may be, of the Redemption Price with respect to such redemption the Relevant Spanish Resolution Authority exercises its Spanish Bail-in Power with respect to such series of Securities the relevant redemption notice shall be automatically rescinded and shall be of no force and effect, and no payment of the Redemption Price (and any accrued interest and Additional Amounts payable under Article 11) will be due and payable.

(g) Each Holder that acquires Securities of any series in the secondary market or otherwise shall be deemed to acknowledge and agree to be bound by and consent to the same provisions specified in this Indenture to the same extent as the Holders that acquire the Securities upon their initial issuance, including, without limitation, with respect to this Article 15.

Section 15.02. *BRRD Liabilities.* Notwithstanding and to the exclusion of any other term of this Indenture or any other agreements, arrangements, or understandings between the Company and the Trustee, the Trustee acknowledges and accepts that a BRRD Liability arising under this Indenture may be subject to the exercise of Spanish Bail-in Powers by the Relevant Spanish Resolution Authority, and acknowledges, accepts, and agrees to be bound by:

(a) the effect of the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority in relation to any BRRD Liability of the Company to the Trustee, which (without limitation) may include and result in any of the following, or some combination thereof:

(i) the reduction of all, or a portion, of such BRRD Liability or outstanding amounts due thereon;

(ii) the conversion of all, or a portion, of such BRRD Liability into shares, other securities or other obligations of the Company or another Person, and the issue to or conferral on the Trustee of such shares, securities or obligations;

(iii) the cancellation of such BRRD Liability; and/or

(iv) the amendment or alteration of any interest, if applicable, on such BRRD Liability, and the maturity or the dates on which any payments on such BRRD Liability are due, including by suspending payment for a temporary period; and

(b) the variation of the terms of this Indenture, as deemed necessary by the Relevant Spanish Resolution Authority, to give effect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority.

* * *

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed all as of the day and year first above written.

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.,
as Company

By: /s/ Erik Schotkamp
Name: Erik Schotkamp
Title: Capital & Funding
Management Director

THE BANK OF NEW YORK MELLON,
as Trustee, Security Registrar, transfer agent and Paying Agent

By: /s/ Marilyn Chau
Name: Marilyn Chau
Title: Vice President

EXHIBIT A

FORM OF FACE OF SECURITY

[Insert any legend required by the Internal Revenue Code and the regulations thereunder.]

THIS SECURITY IS NOT INSURED BY THE
FEDERAL DEPOSIT INSURANCE CORPORATION

No. [Amount]
CUSIP NO.

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

% Senior Securities Due

SECURITY

BANCO BILBAO VIZCAYA ARGENTARIA, S.A., a *sociedad anónima* organized under the laws of the Kingdom of Spain and having its registered office in the Kingdom of Spain (together with its successors and permitted assigns under the Indenture referred to on the reverse hereof, the "**Company**"), for value received, hereby promises to pay to , or registered assigns, the principal sum of on or on such earlier date as the principal hereof may become due in accordance with the provisions hereof.

[The Company further unconditionally promises, subject to paragraph 2(b) of the Terms and Conditions of the Securities referred to below and the [fifth] [sixth] immediately succeeding paragraph, to pay interest in arrears on and of each year (each an "**Interest Payment Date**"), commencing , 20 , and at maturity or redemption, on said principal sum at the rate of % per annum. Interest shall accrue from and including the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from and including , 20 until payment of said principal sum has been made or duly provided for. The interest payable on any such and will, subject to certain conditions set forth in the Indenture referred to on the reverse hereof, be paid to the person in whose name this Security is registered at the end of the close of business on the Regular Record Date for such interest which shall be the and (whether or not such day is a Business Day), as the case may be, next preceding each such Interest Payment Date.]

[The principal of this Security shall not bear interest except in the case of a default in payment of principal upon acceleration, upon redemption or at Stated Maturity and in such case the overdue principal and any overdue premium shall bear interest at the rate of % per annum (to the extent that the payment of such interest shall be legally enforceable), from the dates such amounts are due until they are paid or made available for payment. Interest on any overdue principal or premium shall be payable on demand.]

Payment of interest (including Additional Amounts) on Securities will be made [(i) by a [denomination] check drawn on a bank in mailed to the Holder at such Holder's registered address or (ii) upon application in writing by the Holder of at least in principal amount of Securities to the Trustee not later than 15 days prior to the relevant Interest Payment Date,] by wire transfer in immediately available funds to a [denomination] account maintained by the Holder with a bank in . "**Business Day**" [with respect to any Place of Payment or other location, means each Monday, Tuesday, Wednesday, Thursday and Friday that is not a Legal Holiday in such Place of Payment or other location].

Such payments shall be made in such coin or currency of as at the time of payment shall be legal tender for the payment of public and private debts.

The Company hereby irrevocably undertakes to the holder hereof to exchange this Security in accordance with the terms of the Indenture without charge upon request of such holder for Securities of the same series upon delivery hereof to the Trustee together with any certificates, letters or writings required in Section 3.03 of the Indenture.

Except as set forth in the immediately following paragraph, no reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this Security at the place, times, and rate, and in the currency, herein prescribed.

Notwithstanding any other term of this Security, the Indenture or any other agreements, arrangements, or understandings between the Company and any Holder, by its acquisition of this Security, each Holder (including, for purposes of this paragraph. each holder of a beneficial interest in the Security) acknowledges, accepts, consents to and agrees to be bound by: (i) the exercise and effects of the Spanish Bail-in Power (as defined on the reverse hereof) by the Relevant Spanish Resolution Authority (as defined on the reverse hereof), which may be imposed with or without any prior notice with respect to the Security, and may include and result in any of the following, or some combination thereof: (1) the reduction or cancellation of all, or a portion, of the Amounts Due (as defined on the reverse hereof) on the Securities; (2) the conversion of all, or a portion, of the Amounts Due on the Securities into shares, other securities or other obligations of the Company or another Person (and the issue to or conferral on the Holder of any such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Securities; (3) the cancellation of the Securities; (4) the amendment or alteration of the maturity of the Securities or amendment of the amount of interest payable on the Securities, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and (ii) the variation of the terms of the Securities or the rights of the Holders thereunder or under the Indenture, if necessary, to give effect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority. The Holder shall not have any claim against the Company in connection with or arising out of any such exercise or variation.

[THIS SECURITY IS ISSUED WITH ORIGINAL ISSUE DISCOUNT FOR PURPOSES OF SECTIONS 1272, 1273 AND 1275 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, AND THE RULES AND REGULATIONS THEREUNDER. SOLELY FOR PURPOSES OF THESE ORIGINAL ISSUE DISCOUNT RULES, FOR EACH US$ 1,000 PRINCIPAL AMOUNT OF THIS SECURITY, (1) THE ISSUE PRICE IS US$ [ ]; (2) THE AMOUNT OF ORIGINAL ISSUE DISCOUNT IS US$ [ ]; (3) THE ISSUE DATE IS [ ]; (4) THE YIELD TO MATURITY IS [ ]%, COMPOUNDED [SEMI-ANNUALLY].][1]

Reference is made to the further provisions set forth under the Terms and Conditions of the Securities endorsed on the reverse hereof. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This Security shall not be valid or obligatory for any purpose until the certificate of authentication of this Security shall have been manually executed by or on behalf of the Trustee under the Indenture.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated:

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

By: _____
Name:
Title:

[1] *Include for securities issued with more than de-minimis original issue discount for U.S. federal income tax purposes.*

Certificate of Authentication

This is one of the Securities of the series designated herein referred to in the within-mentioned Indenture.

Dated: _____

The Bank of New York Mellon, as Trustee

By: _____
Authorized Signatory

EXHIBIT B

[FORM OF REVERSE OF SECURITY AND GLOBAL SECURITY]

TERMS AND CONDITIONS OF THE SECURITIES

1. *General*. (a) This security is one of a duly authorized issue of a series of debt securities of the Company, designated as its % Senior Securities Due (referred to as the "**Securities**", as further defined below), limited to the aggregate principal amount of (except as otherwise provided below) and issued or to be issued pursuant to an Indenture (as modified and supplemented from time to time, the "**Indenture**") dated as of , 20 among the Company and The Bank of New York Mellon, as trustee (together with any successor Trustee under the Indenture, the "**Trustee**"), Security Registrar, transfer agent and Paying Agent. The terms and conditions of the Indenture shall have effect as if incorporated herein. All capitalized terms used in this Security but not otherwise defined herein are used as defined in the Indenture and shall have the meanings assigned to them in the Indenture. The holders of the Securities (each a "**Holder**") will be entitled to the benefits of, be bound by, and be deemed to have notice of, all of the provisions of the Indenture and reference is made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. A copy of the Indenture is on file and may be inspected at the Corporate Trust Office of the Trustee in London, England.

(b) The Securities are direct, unconditional, unsubordinated and unsecured obligations of the Company and will rank *pari passu* among themselves and with all other present and future unsubordinated and unsecured indebtedness of the Company, but in the event of insolvency only to the extent permitted bv the Spanish Insolvency Law (*Ley Concursal*), or other laws relating to or affecting the enforcement of creditors' rights in Spain.

(c) The Securities will initially be sold in the form of one or more global certificates representing the notes in fully registered form without interest coupons (each a "**Global Security**" and, together with any securities issued in definitive form pursuant to the Indenture (each a "**Security**"), the "**Securities**") deposited with The Bank of New York Mellon as custodian for The Depository Trust Company ("**DTC**"). The Securities will not be issued in bearer form. The Securities, and transfers thereof, shall be registered as provided in Section 3.05 of the Indenture. Any person in whose name a Security shall be registered may (to the fullest extent permitted by applicable law) be treated at all times, and for all purposes, by the Company and the Trustee as the absolute owner of such Security, regardless of any notice of ownership, theft or loss or of any writing thereon.

2. *Payments and Paying Agencies*. (a) All payments on the Securities shall be made in such coin or currency of as at the time of payment shall be legal tender for the payment of public and private debts.

(b) (i) Principal of this Security and interest due at maturity will be payable against surrender of such Security at the office of the Paying Agent in New York City in immediately available funds [by [denomination] check drawn on, or] by transfer to a [denomination] account maintained by the registered Holder with, a bank located in the United States.

(ii) Payment of interest (including Additional Amounts) on this Security will be made to the persons in whose name such Security is registered at the end of the close of business on the Regular Record Date, which shall be the end of the day next preceding the date on which interest is to be paid whether or not such day is a Business Day, notwithstanding the cancellation of such Security upon any transfer or exchange thereof subsequent to the Record Date and prior to such interest payment date.

Any interest on and any Additional Amounts with respect to the Securities which shall be payable, but shall not be punctually paid or duly provided for, on any Interest Payment Date for such Securities (herein called "**Defaulted Interest**") shall forthwith cease to be payable to the Holder thereof on the relevant Regular Record Date by virtue of having been such Holder; and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in clause (A) or (B) below:

(A) The Company may elect to make payment of any Defaulted Interest to the Person in whose name such Security (or a Predecessor Security thereof) shall be registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on such Security and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit on or prior to the date of the proposed payment, such money when so deposited to be held in trust for the benefit of the Person entitled to such Defaulted Interest as in this Clause provided. Thereupon, the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than ten days prior to the date of the proposed payment and not less than ten days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the

Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to the Holders (or holders of a Predecessor Security of their Securities) at their addresses as they appear in the Security Register not less than ten days prior to such Special Record Date. The Trustee shall, at the instruction of the Company, in the name and at the expense of the Company, cause a similar notice to be published at least once in an Authorized Newspaper of general circulation in the Borough of Manhattan, The City of New York, but such publication shall not be a condition precedent to the establishment of such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the Person in whose name such Security (or Predecessor Security thereof) shall be registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (B).

(B) The Company may make payment of any Defaulted Interest in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Security may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such payment shall be deemed practicable by the Trustee.

(c) Interest shall be computed on the basis of a 360-day year of 12 30-day months.

3. *Additional Amounts; Redemption for Taxation or Listing Reasons[; Optional Redemption]*

(a) Any amounts to be paid by the Company with respect to each Security shall be paid without deduction or withholding for or on account of any and all present or future taxes or duties of whatever nature ("**Taxes**") unless such withholding or deduction is required by law. In the event any such withholding or deduction is imposed or levied by or on behalf of the Kingdom of Spain or any political subdivision or authority thereof or therein having the power to tax, the Company will pay to the Holder such Additional Amounts in respect of principal, premium, if any, interest, if any, and sinking fund payments, if any, as may be necessary in order that the net amount received by the Holder of such Security under the Indenture, after such deduction or withholding, shall equal the respective amounts of principal, premium, if any, interest, if any, and sinking fund payments, if any, as specified in the Security to which such Holder or the Trustee would be entitled if no such deduction or withholding had been made; *provided, however*, that the foregoing obligation to pay Additional Amounts will not apply:

(i) to, or to a third party on behalf of, a Holder who is liable for such Taxes by reason of such Holder (or the beneficial owner of the Security for whose benefit such Holder holds such Security) having some connection with the Kingdom of Spain other than the mere holding of the Security (or such beneficial interest) or the mere crediting of the Security to its securities account with the relevant Depository;

(ii) in the case of a Security presented for payment (where presentation is required) more than 30 days after the Relevant Date (as defined below) except to the extent that the Holder would have been entitled to Additional Amounts on presenting the same for payment on such thirtieth day assuming that day to have been a business day in such place of presentment;

(iii) in respect of any tax, assessment or other governmental charge that would not have been imposed but for the failure by the Holder or beneficial owner of the Security to comply with certification, information or other reporting requirements concerning the nationality, residence or identity of the Holder or beneficial owner of that Security, if compliance is required by statute or by regulation of Spain or of any political subdivision or taxing authority thereof or therein as a precondition to reduction of or relief or exemption from the tax, assessment or other governmental charge;

(iv) in respect of any Security presented for payment (where presentation is required) by or on behalf of a Holder who would be able to avoid such withholding or deduction by presenting the relevant Security to another Paying Agent; or

(v) in the event that the Security is redeemed pursuant to Section 11.08(b) of the Indenture.

Additional Amounts will also not be paid with respect to any payment on any Security to any Holder who is a fiduciary, partnership, limited liability company or Person other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of the Kingdom of Spain (or any political subdivision thereof) to be included in the income, for Spanish tax purposes, of a beneficiary or settlor with respect to such fiduciary, member of such partnership, interest holder in that limited liability company or beneficial owner who would not have been entitled to such Additional Amounts had it been a Holder of such Security.

No Additional Amounts will be paid by the Company or any paying agent on account of any deduction or withholding from a payment on, or in respect of, the Securities where such deduction or withholding is imposed pursuant to any agreement with the U.S. Internal Revenue Service in connection with Sections 1471-1474 of the U.S. Internal Revenue Code and the U.S. Treasury regulations thereunder ("**FATCA**"), any intergovernmental agreement between the United States and Spain or any other jurisdiction with respect to FATCA, or any law, regulation or other official guidance enacted in any jurisdiction implementing, or relating to, FATCA or any intergovernmental agreement.

For the purposes of (ii) above, the "**Relevant Date**" means, in respect of any payment, the date on which any payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the Paying Agent on or prior to such due date, it means the first date on which the full amount of such moneys having been so received and being available for payment to Holders, notice to that effect shall have been duly given to the Holders in accordance with the Indenture.

(b) All (but not less than all) of the Securities may be redeemed at the Redemption Price in accordance with the terms of Article 11 of the Indenture at the option of the Company if, as the result of any change in or any amendment to the laws or regulations of the Kingdom of Spain (including any treaty to which Spain is a party) or any political subdivision or any authority or agency thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change, amendment, application or interpretation becomes effective on or after [the date of the applicable prospectus supplement relating to the Securities], either (i) the Company would become obligated to pay Additional Amounts in making any payments under the Securities with respect thereto as a result of any taxes, levies, imposts or other governmental charges imposed (whether by way of withholding or deduction or otherwise) by or for the account of the Kingdom of Spain or any political subdivision or authority thereof or therein having the power to tax, or (ii) the Company would not be entitled to claim a deduction in computing tax liabilities in Spain in respect of any interest to be paid on the next Interest Payment Date on the Securities or the value of such deduction to the Company would be materially reduced; *provided* that, in the case of (i) above, no such notice to the Trustee of the redemption shall be given earlier than 60 days prior to the earliest date on which the Company would be obligated to deduct or withhold tax or pay such Additional Amounts were a payment in respect of the Securities then due.

Prior to any notice of redemption of the Securities pursuant to this paragraph, the Company shall provide the Trustee with (i) an Officer's Certificate of the Company stating that the Company is entitled to effect such redemption and setting forth in reasonable detail a statement of circumstances showing that the conditions precedent to the right of the Company to redeem such Securities pursuant to this paragraph have been satisfied; and (ii) an Opinion of Counsel to the effect that any of the circumstances referred to in the preceding paragraph prevail.

(c) If the Securities are not listed on an organized market in an OECD country by the date that is 45 days before the initial Interest Payment Date on such Securities, the Company may, at its election and having given no less than 15 days' notice to the Holders, redeem all of the Outstanding Securities at their principal amount, together with accrued interest, if any, thereon to but not including the Redemption Date; provided that from and including the issue date of such Securities to and including such Interest Payment Date, the Company will use its reasonable efforts to obtain or maintain such listing, as applicable. In the event of an early redemption of the Securities for the reasons set forth in the preceding sentence, if required by the relevant Spanish law and regulation, the Company will withhold tax and will pay interest in respect of the principal amount of the Securities redeemed net of the Spanish withholding tax applicable to such payments.

(d) *[Insert terms of optional redemption, if applicable]*

4. *Certain Covenants of the Company*. The Indenture contains certain covenants of the Company, including covenants as to the payment of principal of and any premium or interest (including Additional Amounts) on the Securities, the maintenance of offices for payments and the appointment to fill a vacancy in the office of Trustee.

5. *Events of Default*. Each of the following events shall constitute an "**Event of Default**" under this Security (whatever the reason for any such Event of Default and whether it shall be voluntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body), except as set forth in this paragraph 5:

(a) default by the Company in the payment of the principal of any Security when due and payable at its Maturity and such default is not remedied within 14 days; or

(b) default by the Company in the payment of any interest on or any Additional Amounts payable in respect of any Security when such interest becomes or such Additional Amounts become due and payable, and continuance of such default for a period of 21 days; or

(c) default by the Company in the payment of any premium or deposit of any sinking fund payment, when and as due by the terms of a Security, and such default is not remedied in 30 days; or

(d) default in the performance, or breach, of any covenant or warranty of the Company under the Indenture or the Securities (other than a covenant or warranty default in the performance or breach of which is elsewhere in this paragraph 5 specifically dealt with or which has been expressly included in the Indenture solely for the benefit of a series of notes other than the Securities), and continuance of such breach or default for a period of 30 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by any Holder or the Holders of any Outstanding Securities a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" under the Indenture; or

(e) an order is made by any competent court commencing insolvency proceedings (*procedimientos concursales*) against the Company or an order of any competent court or administrative agency is made or a resolution is passed by the Company for the dissolution or winding up of the Company (except (i) in any such case for the purpose of a reconstruction or a merger or amalgamation which has been approved by an Act (as defined below) of the Holders or (ii) where the entity resulting from any such reconstruction or merger or amalgamation is a financial institution (*entidad de crédito* according to Article 1 of Law 10/2014 of June 26, on regulation, oversight and solvency of credit institutions, as amended, replaced or supplemented from time to time) and will have a rating for long-term senior debt assigned by Standard & Poor's Ratings Services, Moody's Investors Service or Fitch Ratings Ltd. equivalent to or higher than the rating for long-term senior debt of the Company immediately prior to such reconstruction or merger or amalgamation); or

(f) the Company is adjudicated or found bankrupt or insolvent by any competent court, or any order of any competent court or administrative agency is made for, or any resolution is passed by the Company to apply for, judicial composition proceedings with its creditors for the appointment of a receiver or trustee or other similar official in insolvency proceedings (*procedimientos concursales*) in relation to the Company or of a substantial part of the assets of the Company (unless in the case of an order for a temporary appointment, such appointment is discharged within 30 days); or

(g) the Company (except (i) for the purpose of an amalgamation, merger or reconstruction approved by an Act (as defined below) of the Holders or (ii) where the entity resulting from any such amalgamation, merger or reconstruction will have a rating for long-term senior debt assigned by Standard & Poor's Ratings Services, Moody's Investors Service or Fitch Ratings Ltd. equivalent to or higher than the rating for long-term senior debt of the Company immediately prior to such amalgamation, merger or reconstruction) ceases or threatens to cease to directly or indirectly carry on the whole or substantially the whole of its business; or

(h) a holder of a security interest takes possession of the whole or any substantial part of the assets or business of the Company or an order of any competent court or administrative agency is made for the appointment of an administrative or other receiver, manager, administrator or similar official in relation to the Company or in relation to the whole or any substantial part of the business or assets of the Company (in each case, other than in connection with a Resolution or an Early Intervention with respect to the Company), or a distress or execution is levied or enforced upon or sued out against any substantial part of the business or assets of the Company and is not discharged within 30 days.

For the purpose of paragraphs 5(f), 5(g) and 5(h) a report by the external auditors from time to time of the Company as to whether any part of the business or assets of the Company is "substantial" shall, in the absence of manifest error, be conclusive.

Notwithstanding any other provision in these terms or the Indenture, any Resolution or Early Intervention with respect to the Company shall not, in and of itself and without regard to any other fact or circumstance, constitute a default or an Event of Default

under paragraphs 5(e) and 5(f) above or under any other of the terms or the Indenture with respect to the Securities. In addition, neither (i) a reduction or cancellation, in part or in full, of the Amounts Due (as defined below) on the Securities or the conversion thereof into another security or obligation of the Company or another Person, in each case as a result of the exercise of the Spanish Bail-in Power (as defined below) by the Relevant Spanish Resolution Authority (as defined below) with respect to the Company, nor (ii) the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities will constitute an Event of Default or default under the Indenture or the Securities. In addition, no repayment or payment of Amounts Due on the Securities will become due and payable or be paid after the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority if, and to the extent that, such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

"**Act**" means any request, demand, authorization, direction, notice, consent, waiver or other action provided by or pursuant to the Indenture to be given or taken by Holders of Securities and the instrument or instruments in which such action is embodied and evidenced by.

"**Amounts Due**" with respect to a Security means the principal amount of or outstanding amount (if applicable), together with any accrued but unpaid interest, Additional Amounts, premium (if any) and sinking fund payments (if any) due on such Security. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of the Spanish Bail-in Power (as defined below) by the Relevant Spanish Resolution Authority (as defined below).

"**Early Intervention**" means, with respect to any Person, that any Relevant Spanish Resolution Authority or the European Central Bank, shall have announced or determined that such Person has or shall become the subject of an "early intervention" (*actuación temprana*) as such term is defined in Law 11/2015 (as defined herein).

"**Law 11/2015**" means Spanish Law 11/2015 of June 18, on the Recovery and Resolution of Credit Institutions and Investment Firms (*Ley 11/2015 de 18 de junio, de Recuperación y Resolución de Entidades de Crédito y Empresas de Servicios de Inversión*), as amended, replaced or supplemented from time to time.

"**RD 1012/2015**" means Royal Decree 1012/2015 of November 6, by virtue of which Law 11/2015 is developed and Royal Decree 2606/1996 of December 20 on credit entities' deposit guarantee fund is amended, as amended, replaced or supplemented from time to time.

"**Relevant Spanish Resolution Authority**" means the Spanish Fund for the Orderly Restructuring of Banks (*Fondo de Restructuración Ordenada Bancaria*), the European Single Resolution Mechanism and, as the case may be, according to Law 11/2015, the Bank of Spain and the Spanish Securities Market Commission (CNMV), and any other entity with the authority to exercise the Spanish Bail-in Power (as defined herein) from time to time.

"**Resolution**" means, with respect to any Person, that any Relevant Spanish Resolution Authority shall have announced or determined that such Person has or shall become the subject of a "resolution" (*resolución*) as such term is defined in Law 11/2015.

"**Spanish Bail-in Power**" means any write-down, conversion, transfer, modification, or suspension power existing from time to time under: (i) any law, regulation, rule or requirement applicable from time to time in the Kingdom of Spain, relating to the transposition or development of Directive 2014/59/EU of the European Parliament and the Council of the European Union of May 15, 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended, replaced or supplemented from time to time, including, but not limited to (a) Law 11/2015, (b) RD 1012/2015 and (c) Regulation (EU) No. 806/2014 of the European Parliament and of the Council of July 15, 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Resolution Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010, as amended, replaced or supplemented from time to time; or (ii) any other law, regulation, rule or requirement applicable from time to time in the Kingdom of Spain pursuant to which (a) obligations or liabilities of banks, investment firms or other financial institutions or their affiliates can be reduced, cancelled, modified, transferred or converted into shares, other securities, or other obligations of such Persons or any other Person (or suspended for a temporary period or permanently) or (b) any right in a contract governing such obligations may be deemed to have been exercised.

6. *Modifications and Amendments*. (a) With the consent, as evidenced in an Act of the Holders of not less than a majority in principal amount of the Securities at the time Outstanding, modifications and amendments to the Indenture and hereto may be made by execution of a supplemental indenture, as provided in the Indenture, and future compliance therewith and herewith or, prior to declaration of maturity of the Securities, past default by the Company may be waived, with the consent, as evidenced in an Act of Holders representing at least a majority in aggregate principal amount of the Securities at the time Outstanding; *provided, however*, that no such modification, amendment or waiver shall, without the consent of the Holder of each such Security affected thereby,

(i) change the Stated Maturity of the principal of, or any premium or installment of interest on or any Additional Amounts with respect to, any Security, or reduce the principal amount thereof, or the rate of interest thereon (except that Holders of not less than 75% in principal amount of Outstanding Securities of a series may consent by Act , on behalf of the Holders of all of the Outstanding Securities of such series, to the postponement of the Stated Maturity of any installment of interest for a period not exceeding three years from the original Stated Maturity of such installment (which original Stated Maturity shall have been fixed, for the avoidance of doubt, prior to any previous postponements of such installment)) or any Additional Amounts with respect thereto, or any premium payable upon the redemption thereof or otherwise, or change the obligation of the Company to pay Additional Amounts pursuant to Section 10.04 of the Indenture (except as contemplated by Section 3.07 of the Indenture and permitted by Section 9.01(a) of the Indenture), or reduce the amount of the principal of an Original Issue Discount Security that would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 5.02 of the Indenture or the amount thereof provable in bankruptcy pursuant to Section 5.04 of the Indenture, or change the redemption provisions or adversely affect the right of repayment at the option of any Holder as contemplated by Article 13 of the Indenture, or change the Place of Payment, Currency in which the principal of, any premium or interest on, or any Additional Amounts with respect to any Security is payable, or impair the right to institute suit for the enforcement of any such payment on or with respect to any Security on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date or, in the case of repayment at the option of the Holder, on or after the date for repayment), or

(ii) reduce the percentage in principal amount of the Outstanding Securities, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of the Indenture or certain defaults thereunder and their consequences) provided for in the Indenture, or reduce the requirements for a quorum or voting, or

(iii) modify any of the provisions of Section 9.02 or Section 5.13 of the Indenture, except to increase any such percentage or to provide that certain other provisions of the Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Security affected thereby, or

(iv) change in any manner adverse to the interests of the Holders of Outstanding Securities the terms and conditions of the obligations of the Company in respect of the due and punctual payment of the principal thereof (and premium, if any) and interest, if any, thereon or any sinking fund payments, if any, provided for in respect thereof,

except in each case with respect to any modification or amendment of the Indenture pursuant to a supplemental indenture and hereto which is entered into as a result of, and to the extent required by, the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority (in which case neither the consent nor the affirmative vote of any Holder of a Security affected shall be required).

7. *Replacement; Exchange and Transfer of Securities*. (a) In case any Security shall become mutilated, defaced or be apparently destroyed, lost or stolen, upon the request of the registered Holder thereof and subject to Section 3.06 of the Indenture, the Company shall execute and the Trustee shall authenticate and deliver a new Security containing identical terms and of like principal amount and bearing a number not contemporaneously outstanding, in exchange and substitution for the mutilated or defaced Security, or in lieu of and in substitution for the apparently destroyed, lost or stolen Security. In every case, the applicant for a substitute Security shall furnish to the Company and the Trustee such security or indemnity as may be required by each of them to indemnify and defend and to save each of them and any agent of the Company or the Trustee harmless and, in every case of destruction, loss or theft evidence to their satisfaction of the apparent destruction, loss or theft of such Security and of the ownership thereof. Upon the issuance of any substitute Security, the Holder of such Security, if so requested by the Company, will pay a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected with the preparation and issuance of the substitute Security.

(b) The Securities are issuable in registered form and without coupons. Upon the terms and subject to the conditions set forth in the Indenture, and subject to paragraph 7(e) hereof, a Security or Securities may be exchanged for an equal aggregate principal amount of Securities in different authorized denominations by surrender of such Security or Securities at the Corporate Trust Office of the Trustee in London, England or at the office of a transfer agent, together with a written request for the exchange.

(c) Upon the terms and subject to the conditions set forth in the Indenture, and subject to paragraph 7(e) hereof, a Security may be transferred in whole or in a smaller authorized denomination by the Holder or Holders surrendering the Security for transfer at

the Corporate Trust Office of the Trustee in London, England or at the office of a transfer agent accompanied by an executed instrument of assignment and transfer. The registration of transfer of the Securities will be made by the Security Registrar in New York City.

(d) The costs and expenses of effecting any exchange, transfer or registration of transfer pursuant to the foregoing provisions, except, if the Company shall so require, the payment of a sum sufficient to cover any tax or other governmental charge or other expenses that may be imposed in relation thereto, will be borne by the Company.

(e) The Company may decline (i) to issue, register the transfer of or exchange any Securities during a period beginning at the opening of business 15 days before the day of the selection for redemption of Securities of like tenor and the same series under Section 11.03 of the Indenture and ending at the close of business on the day of such selection, or (ii) to register the transfer of or exchange any Security so selected for redemption in whole or in part, except in the case of any Security to be redeemed in part, the portion thereof not to be redeemed, (iii) to issue, register the transfer of or exchange any Security which, in accordance with its terms, has been surrendered for repayment at the option of the Holder, except the portion, if any, of such Security not to be so repaid.

8. *Trustee*. For a description of the duties and the immunities and rights of the Trustee under the Indenture, reference is made to the Indenture, and the obligations of the Trustee to the Holder hereof are subject to such immunities and rights.

9. *Paying Agent; Transfer Agent; Registrar*. The Company hereby initially appoints the Paying Agent, transfer agent and Security Registrar listed at the foot of this Security. The Company may at any time appoint additional or other paying agents, transfer agents and registrars and terminate the appointment thereof; *provided* that while the Securities are Outstanding the Company will maintain offices or agencies for the payment of principal of and any premium or interest (including Additional Amounts) on this Security as herein provided in New York City. Notice of any such termination or appointment and of any change in the office through which any Paying Agent, transfer agent or Security Registrar will act will be promptly given in the manner described in paragraph 11 hereof.

10. *Enforcement*. Except as provided in Section 5.07 of the Indenture, no Holder of any Security shall have any right by virtue of or by availing itself of any provision of the Indenture or of these terms to institute any suit, action or proceeding in equity or at law upon or under or with respect to the Indenture or of the Securities or for the appointment of a receiver or trustee, or for any other remedy thereunder, unless (a) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Securities, (b) the Holders of not less than 25% in principal amount of the Securities then Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder and such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request, (c) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding, and (d) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by Holders of a majority in principal amount of the Outstanding Securities.

11. *Notices*. Except as otherwise expressly provided in or pursuant to the Indenture, where the Indenture provides for notice to Holders of any event, such notice shall be sufficiently given to Holders if in writing and mailed, first-class postage prepaid, to each Holder of a Security affected by such event, at his address as it appears in the Security Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice.

In addition, the Company shall cause any publications of such notices as may be required from time to time by applicable Spanish law.

12. *Prescription*. All claims made against the Company for payment of principal of, any premium or interest or Additional Amounts on, or in respect of, the Securities shall become void unless made within six years, or if shorter within the period provided for under New York law, from the later of the date on which such payment first became due and the date on which the full amount was received by the Trustee or the Paying Agent.

13. *Authentication*. This Security shall not become valid or obligatory for any purpose until the certificate of authentication hereon shall have been executed by or on behalf of the Trustee by the manual signature of one of its authorized officers or by the Authenticating Agent.

14. *Governing Law; Jurisdiction; Service of Process*. (a) This Security shall be governed by and construed under the laws of the State of New York applicable to agreements made or instruments entered into and, in each case, performed in said state, except that the authorization, issuance and execution by the Company of the Securities and paragraph 1(b) shall be governed by and construed in accordance with Spanish law.

(b) In the Indenture, the Company has irrevocably submitted to the nonexclusive jurisdiction of any U.S. federal or state court in the Borough of Manhattan, The City of New York, New York over any suit or proceeding arising out of or relating to the Indenture or any Security. In addition, the Company has irrevocably waived, to the extent it may effectively do so, any objection which it may have now or hereafter to the laying of the venue of any such suit or proceeding brought in such courts.

(c) As long as any of the Securities remains outstanding, the Company will at all times have an authorized agent in New York City upon which process may be served in any suit or proceeding arising out of or relating to the Indenture or any Security. Service of process upon such agent and written notice of such service mailed or delivered to the Company shall to the extent permitted by law be deemed in every respect effective service of process upon the Company in any such legal action or proceeding. The Company has appointed Banco Bilbao Vizcaya Argentaria, S.A., New York Branch, as its agent for such purpose, and has covenanted and agreed that service of process in any suit or proceeding may be made upon it at the office of such agent at Banco Bilbao Vizcaya Argentaria, S.A., 1345 Avenue of the Americas, New York, New York, 10105, U.S.A. (or at such other address or at the office of such other authorized agent as the Company may designate in accordance with Section 1.16 of the Indenture).

15. *Defeasance*. The Indenture contains provisions for defeasance at any time of the entire indebtedness of this Security or certain restrictive covenants and Events of Default with respect to this Security, in each case upon compliance with certain conditions set forth in the Indenture.

16. *Descriptive Headings*. The descriptive headings appearing in these terms are for convenience of reference only and shall not alter, limit or define the provisions hereof.

17. *Certain Undertakings and Agreements by Holders*. (a) Notwithstanding any other term of this Security, the Indenture or any other agreements, arrangements, or understandings between the Company and any Holder, by its acquisition of this Security, each Holder (which, for the purposes of this paragraph 17, includes each holder of a beneficial interest in the Security) acknowledges, accepts, consents to and agrees to be bound by: (i) the exercise and effects of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority, which may be imposed with or without any prior notice with respect to the Security, and may include and result in any of the following, or some combination thereof: (1) the reduction or cancellation of all, or a portion, of the Amounts Due on the Securities; (2) the conversion of all, or a portion, of the Amounts Due on the Securities into shares, other securities or other obligations of the Company or another Person (and the issue to or conferral on the Holder of any such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Securities; (3) the cancellation of the Securities; (4) the amendment or alteration of the maturity of the Securities or amendment of the amount of interest payable on the Securities, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and (ii) the variation of the terms of the Securities or the rights of the Holders thereunder or under the Indenture, if necessary, to give effect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority.

(b) By its acquisition of this Security, each Holder acknowledges and agrees that neither a reduction or cancellation, in part or in full, of the Amounts Due on the Securities or the conversion thereof into another security or obligation of the Company or another person, in each case as a result of the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Company, nor the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities shall: (i) give rise to a default or event of default for purposes of Section 315(b) (Notice of Default) and Section 315(c) (Duties of the Trustee in Case of Default) of the Trust Indenture Act of 1939, as amended (the "**Trust Indenture Act**"); or (ii) be a default or an Event of Default with respect to the Securities or under the Indenture. By its acquisition of this Security, each Holder further acknowledges and agrees that no repayment or payment of Amounts Due on the Securities shall become due and payable or be paid after the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority if, and to the extent that, such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

(c) By its acquisition of this Security, each Holder, to the extent permitted by the Trust Indenture Act, waives any and all claims, in law and/or in equity, against the Trustee for, agrees not to initiate a suit against the Trustee in respect of, and agrees that the Trustee shall not be liable for, any action that the Trustee takes, or abstains from taking, in either case in accordance with the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities. Additionally, by its acquisition of this Security, each Holder acknowledges and agrees that, upon the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities: (i) the Trustee shall not be required to take any further directions from the Holders

with respect to any portion of the Securities under Section 5.12 of the Indenture; and (ii) the Indenture shall not impose any duties upon the Trustee whatsoever with respect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority; *provided, however*, that notwithstanding the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities, so long as any Securities remain outstanding, there shall at all times be a trustee for the Securities in accordance with the Indenture, and the resignation and/or removal of the Trustee and the appointment of a successor trustee shall continue to be governed by the Indenture, including to the extent no additional supplemental indenture or amendment is agreed upon in the event the Securities remain outstanding following the completion of the exercise of the Spanish Bail-in Power.

(d) By its acquisition of this Security, each Holder shall be deemed to have authorized, directed and requested DTC and any direct participant in DTC or other intermediary through which it holds such Security to take any and all necessary action, if required, to implement the exercise of the Spanish Bail-in Power with respect to the Security as it may be imposed, without any further action or direction on the part of such Holder.

(e) Upon the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities, the Company or the Relevant Spanish Resolution Authority (as the case may be) shall provide a written notice to DTC as soon as practicable regarding such exercise of the Spanish Bail-in Power for purposes of notifying the Holders of such Securities. The Company shall also deliver a copy of such notice to the Trustee for information purposes.

(f) If the Company has elected to redeem the Securities but prior to the deposit, with the Trustee or with a Paying Agent as the case may be, of the Redemption Price with respect to such redemption the Relevant Spanish Resolution Authority exercises its Spanish Bail-in Power with respect to the Securities, the relevant redemption notice shall be automatically rescinded and shall be of no force and effect, and no payment of the Redemption Price (and any accrued interest and Additional Amounts payable under Article 11 of the Indenture) will be due and payable.

(g) Each Holder that acquires this Security in the secondary market or otherwise shall be deemed to acknowledge and agree to be bound by and consent to the same provisions specified herein and in the Indenture to the same extent as the Holders that acquire the Securities upon their initial issuance, including, without limitation, with respect to this paragraph.

TRUSTEE, PAYING AGENT, TRANSFER AGENT
AND REGISTRAR

Trustee

The Bank of New York Mellon, acting through its London Branch
One Canada Square,
London E14 5AL
United Kingdom

Security Registrar

The Bank of New York Mellon
101 Barclay Street
New York, New York 10286

Paying Agent and Transfer Agent

The Bank of New York Mellon, acting through its London Branch
One Canada Square,
London E14 5AL
United Kingdom

EXHIBIT C

FORM OF FACE OF GLOBAL SECURITY

No.

CUSIP NO.

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE THEREOF. UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR SECURITIES IN CERTIFICATED FORM, THIS SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITORY TRUST COMPANY (THE "DEPOSITORY") TO A NOMINEE OF THE DEPOSITORY OR BY THE DEPOSITORY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITORY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITORY. UNLESS THIS GLOBAL SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

This Security may not be offered or sold in the Kingdom of Spain by means of a public offer (as defined and construed by Spanish law) and may only be offered or sold in the Kingdom of Spain in compliance with the requirements of Royal Legislative Decree 4/2015 of October 23 (as amended from time to time) on the Spanish Securities Market and Royal Decree 1310/2005 of November 4, 2005 on listing in secondary markets, public offers and the prospectus required for those purposes.

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.
GLOBAL SECURITY

representing up to [Amount]

% Senior Securities Due

BANCO BILBAO VIZCAYA ARGENTARIA, S.A., a *sociedad anónima* organized under the laws of the Kingdom of Spain and having its registered office in the Kingdom of Spain (together with its successors and permitted assigns under the Indenture referred to on the reverse hereof, the "**Company**"), for value received, hereby promises to pay to Cede & Co., or registered assigns, the principal sum of on or on such earlier date as the principal hereof may become due in accordance with the provisions hereof.

[The Company further unconditionally promises, subject to paragraph 2(b) of the Terms and Conditions of the Securities referred to below and the [fifth] [sixth] immediately succeeding paragraph, to pay interest in arrears on and of each year (each an "**Interest Payment Date**"), commencing , 20 , and at maturity or redemption, on said principal sum at the rate of % per annum. Interest shall accrue from and including the most recent date to which interest has been paid or duly provided for, or, if no interest has been paid or duly provided for, from , 20 until payment of said principal sum has been made or duly provided for. The interest payable on any such and will, subject to certain conditions set forth in the Indenture referred to on the reverse hereof, be paid to Cede & Co., or registered assigns at the end of the close of business on the Regular Record Date for such interest which shall be the and (whether or not a Business Day), as the case may be, next preceding each such Interest Payment Date.]

[The principal of this Security shall not bear interest except in the case of a default in payment of principal upon acceleration, upon redemption or at Stated Maturity and in such case the overdue principal and any overdue premium shall bear interest at the rate of % per annum (to the extent that the payment of such interest shall be legally enforceable), from the dates such amounts are due until they are paid or made available for payment. Interest on any overdue principal or premium shall be payable on demand.]

This being the Global Security of a series (as defined in the Indenture referred to on the reverse hereof) deposited with DTC acting as depositary, and registered in the name of Cede & Co., a nominee of DTC, Cede & Co., as holder of record of this Global Security, shall be entitled to receive payments of principal and interest, other than principal and interest due at the maturity date, by wire transfer of immediately available funds.

Payment of interest (including Additional Amounts) on Global Securities will be made by wire transfer in immediately available funds to a U.S. dollar account maintained by the DTC with a bank in New York City.

Such payment shall be made in such coin or currency of as at the time of payment shall be legal tender for the payment of public and private debts.

The Company hereby irrevocably undertakes to the holder hereof to exchange this Global Security in accordance with the terms of the Indenture without charge upon request of such holder for Securities of the same series upon delivery hereof to the Trustee together with any certificates, letters or writings required in Section 3.03 of the Indenture.

Except as set forth in the immediately following paragraph, no reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this Security at the place, times, and rate, and in the currency, herein prescribed.

Notwithstanding any other term of the Securities (as defined on the reverse hereof), the Indenture or any other agreements, arrangements, or understandings between the Company and any Holder, by its acquisition of this Security, each Holder (including, for purposes of this paragraph, each holder of a beneficial interest in the Security) acknowledges, accepts, consents to and agrees to be bound by: (i) the exercise and effects of the Spanish Bail-in Power (as defined on the reverse hereof) by the Relevant Spanish Resolution Authority (as defined on the reverse hereof), which may be imposed with or without any prior notice with respect to the Security, and may include and result in any of the following, or some combination thereof: (1) the reduction or cancellation of all, or a portion, of the Amounts Due (as defined on the reverse hereof) on the Securities; (2) the conversion of all, or a portion, of the Amounts Due on the Securities into shares, other securities or other obligations of the Company or another person (and the issue to or conferral on the Holder of any such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Securities; (3) the cancellation of the Securities; (4) the amendment or alteration of the maturity of the Securities or amendment of the amount of interest payable on the Securities, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and (ii) the variation of the terms of the Securities or the rights of the Holders thereunder or under the Indenture, if necessary, to give effect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority. The Holder shall not have any claim against the Company in connection with or arising out of any such exercise or variation.

[THIS SECURITY IS ISSUED WITH ORIGINAL ISSUE DISCOUNT FOR PURPOSES OF SECTIONS 1272, 1273 AND 1275 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, AND THE RULES AND REGULATIONS THEREUNDER. SOLELY FOR PURPOSES OF THESE ORIGINAL ISSUE DISCOUNT RULES, FOR EACH US$ 1,000 PRINCIPAL AMOUNT OF THIS SECURITY, (1) THE ISSUE PRICE IS US$ [ ]; (2) THE AMOUNT OF ORIGINAL ISSUE DISCOUNT IS US$ [ ]; (3) THE ISSUE DATE IS [ ]; (4) THE YIELD TO MATURITY IS [ ]%, COMPOUNDED [SEMI-ANNUALLY].][2]

Reference is made to the further provisions set forth under the Terms and Conditions of the Securities endorsed on the reverse hereof. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This Security shall not be valid or obligatory for any purpose until the certificate of authentication of this Security shall have been manually executed by or on behalf of the Trustee under the Indenture.

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[2] *Include for securities issued with more than de-minimis original issue discount for U.S. federal income tax purposes.*

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated: , 20

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

By: _____
Name:
Title:

CERTIFICATE OF AUTHENTICATION

This is the Global Security of a series designated herein referred to in the within-mentioned Indenture.

Dated:

The Bank of New York Mellon, as Trustee

By: _____
Authorized Signatory

EXHIBIT D

FORM OF TRANSFER OF

FOR VALUE RECEIVED, the undersigned hereby transfers to

_____

_____

(PRINT NAME AND ADDRESS OF TRANSFEREE)

principal amount of this Security, and all rights with respect thereto, and irrevocably constitutes and appoints as attorney to transfer this Security in the Security Register thereof, with full power of substitution.

Dated _____ _____
Certifying Signature

Signed _____

Security:

(i) The signature on this transfer form must correspond to the name as it appears on the face of this Security.

(ii) A representative of the Holder should state the capacity in which he or she signs (*e.g.*, executor).

(iii) The signature of the person effecting the transfer shall conform to any list of duly authorized specimen signatures supplied by the registered holder or shall be certified by a bank which is a member of the Medallion Program or in such other manner as the Paying Agent, acting in its capacity as transfer agent, or the Trustee, acting in its capacity as Security Registrar, may require.

Exhibit 4.4

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.,
as Issuer

THE BANK OF NEW YORK MELLON,
as Trustee, Security Registrar, Transfer Agent and Paying Agent

INDENTURE

Dated as of July 28, 2016

Subordinated Debt Securities

Reconciliation and tie between
Trust Indenture Act of 1939 (the "**Trust Indenture Act**")
and Indenture

	Trust Indenture Act Section	Indenture Section
§310	(a)(1)	6.08
	(a)(2)	6.08
	(a)(3)	Not Applicable
	(a)(4)	Not Applicable
	(a)(5)	6.08
	(b)	6.14
§311	(a)	6.12
	(b)	6.12
§312	(a)	7.01, 7.02
	(b)	7.02
	(c)	7.02
§313	(a)	7.03
	(b)	7.03
	(c)	7.03
	(d)	7.03
§314	(a)	7.04, 10.05
	(b)	Not Applicable
	(c)(1)	1.02
	(c)(2)	1.02
	(c)(3)	Not Applicable
	(d)	Not Applicable
	(e)	1.02
§315	(a)	6.01, 6.02
	(b)	6.03
	(c)	6.01, 6.02
	(d)	6.01, 6.02
	(e)	5.14
§316	(a)(last sentence)	1.01 ("Outstanding")
	(a)(1)(A)	5.12
	(a)(1)(B)	5.13
	(a)(2)	Not Applicable
	(b)	5.08
	(c)	1.04
§317	(a)(1)	5.03
	(a)(2)	5.04
	(b)	10.03
§318	(a)	1.08

Note: This reconciliation and tie shall not, for any purpose, be deemed to be part of the Indenture.

Attention should also be directed to Section 318(c) of the Trust Indenture Act, which provides that the provisions of Sections 310 to and including 317 are a part of and govern every qualified indenture, whether or not physically contained therein.

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EXERCISE OF SPANISH BAIL-IN POWER

INDENTURE, dated as of July 28, 2016 (the "**Indenture**"), between Banco Bilbao Vizcaya Argentaria, S.A., a *sociedad anónima* organized under the laws of the Kingdom of Spain (hereinafter called the "**Company**"), having its principal executive office located at Calle Azul 4, Madrid, Spain, and The Bank of New York Mellon, a New York banking corporation duly organized and existing under the laws of the State of New York, having its Corporate Trust Office located at 101 Barclay Street, New York, New York 10286, United States, and acting (except with respect to its role as Security Registrar) through its London Branch at One Canada Square, London E14 5AL, United Kingdom (in its capacity as trustee, the "**Trustee**", which term includes any successor Trustee).

RECITALS

The Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its subordinated unsecured debentures, notes or other evidences of indebtedness (hereinafter called the "**Securities**"), unlimited as to principal amount, to bear such rates of interest, to mature at such time or times, to be issued in one or more series and to have such other provisions as shall be fixed as hereinafter provided.

All things necessary to make this Indenture a valid agreement of the Company, in accordance with its terms, have been done.

This Indenture is subject to the provisions of the Trust Indenture Act of 1939, as amended, and the rules and regulations of the U.S. Securities and Exchange Commission promulgated thereunder that are required to be part of this Indenture and, to the extent applicable, shall be governed by such provisions.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders (as herein defined) thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Securities or of any series thereof (as herein defined) as follows:

ARTICLE 1
Definitions and Other Provisions of General Application

Section 1.01. *Definitions.* Except as otherwise expressly provided in or pursuant to this Indenture or unless the context otherwise requires, for all purposes of this Indenture:

(a) the terms defined in this Article have the meanings assigned to them in this Article, and include the plural as well as the singular;

(b) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, have the meanings assigned to them therein;

(c) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board;

(d) the words "**herein**", "**hereof**", "**hereto**" and "**hereunder**" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision; and

(e) the word "**or**" is always used inclusively (for example, the phrase "A or B" means "A or B or both", not "either A or B but not both").

Certain terms used principally in certain Articles hereof are defined in those Articles.

"**Act**", when used with respect to any Holders, has the meaning specified in Section 1.04.

"**Additional Amounts**" means any additional amounts which are payable under Section 10.04 by the Company in respect of certain taxes withheld from payments to Holders.

"**Affiliate**" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control", when used with respect to any

specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have the meanings correlative to the foregoing.

"**Amounts Due**" with respect to the Securities of a series means the principal amount of or outstanding amount (if applicable), together with any accrued but unpaid interest, Additional Amounts, premium (if any) and sinking fund payments (if any) due on the Securities of such series. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of the Spanish Bail-in Power (as defined herein) by the Relevant Spanish Resolution Authority (as defined herein).

"**Authenticating Agent**" means any Person authorized by the Trustee pursuant to Section 6.13 to act on behalf of the Trustee to authenticate Securities of one or more series.

"**Authorized Newspaper**" means a newspaper, in an official language of the place of publication or in the English language, customarily published on each day that is a Business Day in the place of publication, whether or not published on days that are Legal Holidays in the place of publication, and of general circulation in each place in connection with which the term is used or in the financial community of each such place. Where successive publications are required to be made in Authorized Newspapers, the successive publications may be made in the same or in different Authorized Newspapers in the same city meeting the foregoing requirements and in each case on any day that is a Business Day in the place of publication.

"**Board of Directors**" means the board of directors of the Company or any committee or Person of that board duly authorized to act generally or in any particular respect for the Company hereunder.

"**Board Resolution**" means a copy of one or more resolutions, certified by the Secretary or an Assistant Secretary or any Person duly authorized of the Company to have been duly adopted by the relevant Board of Directors and to be in full force and effect on the date of such certification, delivered to the Trustee.

"**BRRD Liability**" means any liability, commitment, duty, responsibility, amount payable or contingency or other obligation arising from, or related to, this Indenture which may be subject to the exercise of the Spanish Bail-in Power (as defined below) by the Relevant Spanish Resolution Authority (as defined below).

"**Business Day**", with respect to any Place of Payment or other location, means each Monday, Tuesday, Wednesday, Thursday and Friday that is not a Legal Holiday in such Place of Payment or other location, except as may otherwise be provided in the form of Securities of any particular series pursuant to the provisions of this Indenture.

"**Commission**" means the Securities and Exchange Commission, as from time to time constituted, created under the Securities Exchange Act of 1934, as amended, or, if at any time after the execution of this Indenture such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

"**Company**" means the Person named as the "Company" in the first paragraph of this instrument until a successor Person shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Company" shall mean such successor Person, and any other obligor upon the Securities.

"**Company Request**" and "**Company Order**" mean, respectively, a written request or order, as the case may be, signed in the name of the Company by any member of the Board of Directors, the President, a Vice President, the Treasurer, an Assistant Treasurer, the Secretary, an Assistant Secretary or other representative of the Company, in each case empowered to do so by a Board Resolution, and delivered to the Trustee.

"**Company Senior Indebtedness**" means Senior Indebtedness of the Company.

"**Conversion Event**" means the cessation of use of (i) a Foreign Currency both by the government of the country which issued such Currency and for the settlement of transactions by a central bank or other public institutions of or within the international banking community, or (ii) the euro both within the European monetary system and for the settlement of transactions by public institutions of or within the European Union.

"**Corporate Trust Office**" means the principal corporate trust office of the Trustee at which, at any particular time, its corporate trust business shall be administered, which principal corporate trust office at the date hereof is located at 101 Barclay Street, New York, NY 10286 and the Indenture will be administered by The Bank of New York Mellon acting (except with respect to its role as Security Registrar) through its London Branch at One Canada Square, London E14 5AL, United Kingdom or such other location in New York or England as notified by the Trustee to the Company from time to time.

"**Corporation**" includes corporations and, except for purposes of Article 8, associations, companies and business trusts.

"**Currency**", with respect to any payment, deposit or other transfer in respect of the principal of or any premium or interest on or any Additional Amounts with respect to any Security, means Dollars, unless otherwise expressly provided.

"**Defaulted Interest**" has the meaning specified in Section 3.07.

"**Dollars**" or "**$**" means a dollar or other equivalent unit of legal tender for payment of public or private debts in the United States of America.

"**Early Intervention**" means, with respect to any Person, that any Relevant Spanish Resolution Authority or the European Central Bank, shall have announced or determined that such Person has or shall become the subject of an "early intervention" (*actuación temprana*) as such term is defined in Law 11/2015 (as defined herein).

"**Event of Default**" has the meaning specified in Section 5.01.

"**Foreign Currency**" means any currency, currency unit or composite currency, including, without limitation, the euro, issued by the government of one or more countries other than the United States or by any confederation or association of such governments.

"**Global Security**" means a Security evidencing all or part of the Securities of a series, bearing the legend set forth in Section 2.04 (or such legend as may be specified as contemplated in Section 3.01 for such Securities), authenticated and delivered to the Holder and registered in the name of the Holder or its nominee.

"**Holder**" means the Person in whose name a Security is registered in the Security Register.

"**Indenture**" means this instrument as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof and, with respect to any Security, by the terms and provisions of such Security established pursuant to Section 3.01 (as such terms and provisions may be amended pursuant to the applicable provisions hereof).

"**Independent Public Accountants**" means accountants or a firm of accountants that, with respect to the Company and any other obligor under the Securities, are independent public accountants within the meaning of the Securities Act of 1933, as amended, and the rules and regulations promulgated by the Commission thereunder, who may be the independent public accountants regularly retained by the Company or who may be other independent public accountants. Such accountants or firm shall be entitled to rely upon any Opinion of Counsel as to the interpretation of any legal matters relating to this Indenture or certificates required to be provided hereunder.

"**Indexed Security**" means a Security the terms of which provide that the principal amount thereof payable at Stated Maturity may be more or less than the principal face amount thereof at original issuance.

"**Insolvency Law**" means the Spanish law 22/2003 of July 9, as amended, replaced or supplemented from time to time, including, among others, the order of payment of insolvency claims set forth in additional provision 14th of Law 11/2015.

"**Interest**", with respect to any Original Issue Discount Security which by its terms bears interest only after maturity, means interest payable after Maturity. All references in this Indenture to "interest" payable or to be paid in respect of any series of Securities, except as otherwise expressly provided or where the context otherwise requires, shall be deemed to include any Additional Amounts payable in respect of such series of Securities.

"**Interest Payment Date**", with respect to any Security, means the Stated Maturity of an installment of interest on such Security.

"**Law 11/2015**" means Spanish Law 11/2015 of June 18, on the Recovery and Resolution of Credit Institutions and Investment Firms (*Ley 11/2015 de 18 de junio, de Recuperación y Resolución de Entidades de Crédito y Empresas de Servicios de Inversión*), as amended, replaced or supplemented from time to time.

"**Legal Holiday**", with respect to any Place of Payment or other location, means a Saturday, a Sunday or a day on which banking institutions in such Place of Payment or other location are not open for general business.

"**Maturity**", with respect to any Security, means the date on which the principal of such Security or an installment of principal becomes due and payable as provided in or pursuant to this Indenture, whether at the Stated Maturity or by declaration of acceleration, notice of redemption or repurchase or otherwise, and includes the Redemption Date.

"**OECD**" means the Organization for Economic Co-operation and Development.

"**Office**" or "**Agency**", with respect to any Securities, means an office or agency of the Company maintained or designated in a Place of Payment for such Securities pursuant to Section 10.02 or any other office or agency of the Company maintained or designated for such Securities pursuant to Section 10.02 or, to the extent designated or required by Section 10.02 in lieu of such office or agency, the Corporate Trust Office of the Trustee.

"**Officer's Certificate**" means a certificate signed by the Chairman of the Board of Directors, a Vice Chairman, the President, a Vice President, the Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary or any Person duly authorized of the Company, that complies with the requirements of Section 314(e) of the Trust Indenture Act and is delivered to the Trustee.

"**Opinion of Counsel**" means a written opinion of counsel, who may be an employee of or counsel for the Company or other counsel who shall be reasonably acceptable to the Trustee, that, if required by the Trust Indenture Act, complies with the requirements of Section 314(e) of the Trust Indenture Act.

"**Original Issue Discount Security**" means a Security issued pursuant to this Indenture which provides for declaration of an amount less than the principal face amount thereof to be due and payable upon acceleration pursuant to Section 5.02.

"**Outstanding**", when used with respect to any Securities, means, as of the date of determination, all such Securities theretofore authenticated and delivered under this Indenture, except:

(i) any such Security theretofore cancelled by the Trustee or the Security Registrar or delivered to the Trustee or the Security Registrar for cancellation;

(ii) any such Security for whose payment at the Maturity thereof money in the necessary amount has been theretofore deposited pursuant hereto with the Trustee or any Paying Agent (other than the Company), in trust or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the Holders of such Securities, *provided* that, if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made;

(iii) any such Security with respect to which the Company has effected defeasance or covenant defeasance pursuant to the terms hereof, to the extent provided in Section 4.02; and

(iv) any such Security which has been paid pursuant to Section 3.06 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, unless there shall have been presented to the Trustee proof satisfactory to it that such Security is held by a protected purchaser in whose hands such Security is a valid obligation of the Company;

provided, however, that in determining whether the Holders of the requisite principal amount of Outstanding Securities of a series have given any request, demand, authorization, direction, notice, consent or waiver hereunder, (i) the principal amount of an Original Issue Discount Security that may be counted in making such determination and that shall be deemed to be Outstanding for such purposes shall be equal to the amount of the principal thereof that pursuant to the terms of such Original Issue Discount Security would be declared (or shall have been declared to be) due and payable upon a declaration of acceleration thereof pursuant to Section 5.02 at the time of such determination, (ii) the principal amount of any Indexed Security that may be counted in making such determination and that shall be deemed Outstanding for such purposes shall be equal to the principal face amount of such Indexed Security at original issuance, unless otherwise provided in or pursuant to this Indenture, (iii) the principal amount of a Security

denominated in a Foreign Currency shall be the Dollar equivalent, determined on the date of original issuance of such Security, of the principal amount (or, in the case of an Original Issue Discount Security, the Dollar equivalent on the date of original issuance of such Security of the amount determined in (i) above) of such Security, and (iv) Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or such other obligor, shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in making any such determination or relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Securities which a Responsible Officer of the Trustee knows to be so owned shall be so disregarded. Securities so owned which shall have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee (A) the pledgee's right so to act with respect to such Securities and (B) that the pledgee is not the Company or any other obligor upon the Securities or an Affiliate of the Company or such other obligor.

"**Paying Agent**" means any Person authorized by the Company to pay the principal of, or any premium or interest on, or any Additional Amounts with respect to, any Security on behalf of the Company.

"**Person**" means any individual, Corporation, limited liability company, partnership, joint venture, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"**Place of Payment**", with respect to any Security, means the place or places where the principal of, or any premium or interest on, or any Additional Amounts with respect to such Security are payable as provided in or pursuant to this Indenture.

"**Predecessor Security**" of any particular Security means every previous Security evidencing all or a portion of the same indebtedness as that evidenced by such particular Security; and, for the purposes of this definition, any Security authenticated and delivered under Section 3.06 in exchange for or in lieu of a lost, destroyed, mutilated or stolen Security shall be deemed to evidence the same indebtedness as the lost, destroyed, mutilated or stolen Security.

"**Procedimientos Concursales**" means, collectively, any proceedings relating to the insolvency (*concurso*), dissolution or winding up of the Company or any other proceeding which requires the application of the priorities provided by the Spanish Insolvency Law (*Ley Concursal*), the Spanish Commercial Code (*Código de Comercio*), the Spanish Civil Code (*Código Civil*) and any other applicable Spanish laws.

"**RD 1012/2015**" means Royal Decree 1012/2015 of November 6, by virtue of which Law 11/2015 is developed and Royal Decree 2606/1996 of December 20 on credit entities' deposit guarantee fund is amended, as amended, replaced or supplemented from time to time.

"**Redemption Date**", with respect to any Security or portion thereof to be redeemed, means the date fixed for such redemption by or pursuant to this Indenture.

"**Redemption Price**", with respect to any Security or portion thereof to be redeemed, means the price at which it is to be redeemed as determined by or pursuant to this Indenture.

"**Regular Record Date**" for the interest payable on any Security on any Interest Payment Date therefor means the date, if any, specified in or pursuant to this Indenture as the "Regular Record Date".

"**Relevant Spanish Resolution Authority**" means the Spanish Fund for the Orderly Restructuring of Banks (*Fondo de Restructuración Ordenada Bancaria*), the European Single Resolution Mechanism and, as the case may be, according to Law 11/2015, the Bank of Spain and the Spanish Securities Market Commission (CNMV), and any other entity with the authority to exercise the Spanish Bail-in Power (as defined below) from time to time.

"**Resolution**" means, with respect to any Person, that any Relevant Spanish Resolution Authority shall have announced or determined that such Person has or shall become the subject of a "resolution" (*resolución*) as such term is defined in Law 11/2015.

"**Responsible Officer**" means any officer of the Trustee in its Corporate Trust Office having direct responsibility for the administration of this Indenture and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"**Security**" or "**Securities**" means any note or notes, bond or bonds, debenture or debentures, or any other evidences of indebtedness, as the case may be, authenticated and delivered under this Indenture; *provided, however,* that, if at any time there is

more than one Person acting as Trustee under this Indenture, "Securities", with respect to any such Person, shall mean Securities authenticated and delivered under this Indenture, exclusive, however, of Securities of any series as to which such Person is not Trustee.

"**Security Register**" and "**Security Registrar**" have the respective meanings specified in Section 3.05.

"**Senior Indebtedness**" means, with respect to any Person, all rights and claims, whether outstanding on the date of this Indenture or thereafter created, incurred, assumed or guaranteed, and all amendments, renewals, extensions, modifications and refundings of indebtedness or obligations represented by such rights and claims, (i) of privileged creditors (*acreedores privilegiados*), unsecured and unsubordinated creditors (*acreedores comunes*), those subordinated creditors referred to in art. 92.1 of the Insolvency Law and insolvency estate creditors (*acreedores contra la masa*) of such Person, in each case as determined in accordance with the Insolvency Law; or (ii) if such Insolvency Law is no longer in effect, all of such rights and claims of all creditors of such Person, unless in any such case the instrument by which the indebtedness or obligations represented by such rights and claims are created, incurred, assumed or guaranteed by such Person, or are evidenced, provides that they are subordinate, or are not superior, in right of payment to the Securities.

"**Spanish Bail-in Power**" means any write-down, conversion, transfer, modification, or suspension power existing from time to time under: (i) any law, regulation, rule or requirement applicable from time to time in the Kingdom of Spain, relating to the transposition or development of Directive 2014/59/EU of the European Parliament and the Council of the European Union of May 15, 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended, replaced or supplemented from time to time, including, but not limited to (a) Law 11/2015, (b) RD 1012/2015 and (c) Regulation (EU) No. 806/2014 of the European Parliament and of the Council of July 15, 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Resolution Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010, as amended, replaced or supplemented from time to time; or (ii) any other law, regulation, rule or requirement applicable from time to time in the Kingdom of Spain pursuant to which (a) obligations or liabilities of banks, investment firms or other financial institutions or their affiliates can be reduced, cancelled, modified, transferred or converted into shares, other securities, or other obligations of such Persons or any other Person (or suspended for a temporary period or permanently) or (b) any right in a contract governing such obligations may be deemed to have been exercised.

"**Special Record Date**" for the payment of any Defaulted Interest on any Security means a date fixed by the Trustee pursuant to Section 3.07.

"**Stated Maturity**" means, with respect to any Security or any installment of principal thereof or interest thereon or any Additional Amounts with respect thereto, the date established by or pursuant to this Indenture as the fixed date on which the principal of such Security or such installment of principal or interest is, or such Additional Amounts are, due and payable.

"**Subsidiary**" means any Corporation of which, at the time of determination, the Company or one or more Subsidiaries owns or controls directly or indirectly more than 50% of the shares of such Corporation's Voting Stock.

"**Trust Indenture Act**" means the Trust Indenture Act of 1939, as amended, and any reference herein to the Trust Indenture Act or a particular provision thereof shall mean such Act or provision, as the case may be, as amended, replaced or supplemented from time to time by rules or regulations adopted by the Commission under or in furtherance of the purposes of such Act or provision, as the case may be.

"**Trustee**" means the Person named as the "Trustee" in the first paragraph of this instrument until a successor Trustee shall have become such with respect to one or more series of Securities pursuant to the applicable provisions of this Indenture, and thereafter "Trustee" shall mean each Person who is then a Trustee hereunder; *provided, however,* that if at any time there is more than one such Person, "Trustee" shall mean each such Person and as used with respect to the Securities of any series shall mean the Trustee with respect to the Securities of such series, provided that the Trustee shall not be the Company or any other obligor upon the Securities or any Affiliate of the Company or such other obligor.

"**United States**", except as otherwise provided herein or in any Security, means the United States of America (including the states thereof and the District of Columbia), and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands).

"**U.S. Depository**" or "**Depository**" means, with respect to any Security issuable or issued in the form of one or more Global Securities, the Person designated as U.S. Depository or Depository by the Company in or pursuant to this Indenture, which Person must be, to the extent required by applicable law or regulation, a clearing agency registered under the Securities Exchange Act of

1934, as amended, and, if so provided with respect to any Security, any successor to such Person. If at any time there is more than one such Person, "**U.S. Depository**" or "**Depository**" shall mean, with respect to any Securities, the qualifying entity which has been appointed with respect to such Securities.

"**U.S. Government Obligations**" means securities which are (i) direct obligations of the United States in which the principal of or any premium or interest on such Security or any Additional Amounts in respect thereof shall be payable, in each case where the payment or payments thereunder are supported by the full faith and credit of the United States or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States where the timely payment or payments thereunder are unconditionally guaranteed as a full faith and credit obligation by the United States, which, in the case of (i) or (ii), are not callable or redeemable at the option of the issuer or issuers thereof, and shall also include a depository receipt issued by a bank or trust company as custodian with respect to any such U.S. Government Obligation or a specific payment of interest on or principal of or other amount with respect to any such U.S. Government Obligation held by such custodian for the account of the holder of a depository receipt, *provided* that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of interest on or principal of or other amount with respect to the U.S. Government Obligation evidenced by such depository receipt.

"**Vice President**" when used with respect to the Company or the Trustee, means any vice president or similar officer, whether or not designated by a number or a word or words added before or after the title "Vice President".

"**Voting Stock**" means stock or shares of a Corporation of the class or classes having general voting power under ordinary circumstances to elect at least a majority of the board of directors, managers or trustees of such Corporation *provided* that, for the purposes hereof, stock or shares which carry only the right to vote conditionally on the happening of an event shall not be considered voting stock whether or not such event shall have happened.

Section 1.02. *Compliance Certificates and Opinions.* Except as otherwise expressly provided in this Indenture, upon any application or request by the Company to the Trustee to take any action under any provision of this Indenture, the Company shall furnish to the Trustee an Officer's Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that, in the opinion of such counsel, all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents or any of them is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished. Each Officer's Certificate and Opinion of Counsel shall comply with the requirements of Section 314(e) under the Trust Indenture Act.

Section 1.03. *Form of Documents Delivered to Trustee.* In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the Company may be based, insofar as it relates to legal matters, upon an Opinion of Counsel, unless such officer knows, or in the exercise of reasonable care should know, that the opinion with respect to the matters upon which his certificate or opinion is based are erroneous. Any such Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Company stating that the information with respect to such factual matters is in the possession of the Company, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture or any Security, they may, but need not, be consolidated and form one instrument.

Section 1.04. *Acts of Holders; Meetings; Record Dates.* (a) Except as otherwise provided under this Indenture or the Trust Indenture Act, any request, demand, authorization, direction, notice, consent, waiver or other action provided by or pursuant to this Indenture to be given or taken by Holders of Securities of a series may be embodied in and evidenced by one or more written instruments of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Company. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein referred to as the "**Act**" of the Holders signing such instrument or instruments. Proof of execution of

any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Section 315 of the Trust Indenture Act) conclusive in favor of the Trustee, the Company and any agent of the Trustee or the Company, if made in the manner provided in this Section.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by a signer acting in a capacity other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner which the Trustee deems sufficient.

(c) The Company may set any day as a record date for the purpose of determining the Holders of Outstanding Securities of a series entitled to give, make or take any request, demand, authorization, direction, notice, consent, waiver or other action provided or permitted by this Indenture to be given, made or taken by Holders of Securities of such series; provided that the Company may not set a record date for, and the provisions of this Section 1.04(c) shall not apply with respect to, the giving or making of any notice, declaration, request or direction referred to in Section 1.04(d). If any record date is set pursuant to this Section 1.04(c), the Holders of Outstanding Securities of the relevant series on such record date, and no other Holders, shall be entitled to take the relevant action, whether or not such Holders remain Holders after such record date; provided that no such action shall be effective hereunder unless taken on or prior to the applicable Expiration Date (as defined below) by Holders of the requisite principal amount of Outstanding Securities of such series on such record date. Nothing in this Section 1.04(c) shall be construed to prevent the Company from setting a new record date for any action for which a record date has previously been set pursuant to this Section 1.04(c) (whereupon the record date previously set shall automatically and with no action by any Person be cancelled and of no effect), and nothing in this Section 1.04(c) shall be construed to render ineffective any action taken by Holders of the requisite principal amount of Outstanding Securities of the relevant series on the date such action is taken. Promptly after any record date is set pursuant to this Section 1.04(c), the Company, at its own expense, shall cause notice of such record date, the proposed action by Holders and the applicable Expiration Date to be given to the Trustee in writing and to each Holder of Securities of the relevant series in the manner set forth in Section 1.06.

(d) The Trustee may set any day as a record date for the purpose of determining the Holders of Outstanding Securities of any series entitled to join in the giving or making of: (i) any declaration of acceleration referred to in Section 5.02; (ii) any request to institute proceedings referred to in Section 5.07(ii); or (iii) any direction referred to in Section 5.12, in each case with respect to Securities of such series. If any record date is set pursuant to this Section 1.04(d), the Holders of Outstanding Securities of such series on such record date, and no other Holders, shall be entitled to join in such notice, declaration, request or direction, whether or not such Holders remain Holders after such record date; provided that no such action shall be effective hereunder unless taken on or prior to the applicable Expiration Date by Holders of the requisite principal amount of Outstanding Securities of such series on such record date. Nothing in this Section 1.04(d) shall be construed to prevent the Trustee from setting a new record date for any action for which a record date has previously been set pursuant to this Section 1.04(d) (whereupon the record date previously set shall automatically and with no action by any Person be cancelled and of no effect), and nothing in this Section 1.04(d) shall be construed to render ineffective any action taken by Holders of the requisite principal amount of Outstanding Securities of the relevant series on the date such action is taken. Promptly after any record date is set pursuant to this Section 1.04(d), the Trustee, at the expense of the Company, shall cause notice of such record date, the proposed action by Holders and the applicable Expiration Date to be given to the Company in writing and to each Holder of Securities of the relevant series in the manner set forth in Section 1.06.

(e) With respect to any record date set pursuant to this Section with respect to the Securities of a series, the party or parties hereto which set such record date may designate any day as the "**Expiration Date**" and from time to time may change the Expiration Date to any earlier or later day; provided that no such change shall be effective unless notice of the proposed new Expiration Date is given to the other party or parties hereto in writing, and to each Holder of Securities of the relevant series in the manner set forth in Section 1.06, on or prior to the existing Expiration Date. Notwithstanding the foregoing, no Expiration Date shall be designated later than the 180th day after the applicable record date and, if an Expiration Date is not designated, with respect to any record date set pursuant to this Section, the party or parties hereto which set such record date shall be deemed to have designated the 180th day after such record date as the Expiration Date with respect thereto.

(f) The ownership, principal amount and serial numbers of Securities held by any Person, and the date of the commencement and the date of the termination of holding the same, shall be proved by the Security Register.

(g) Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Security shall bind every future Holder of the same Security and the Holder of every Security issued upon the registration of transfer thereof or in

exchange therefor or in lieu thereof in respect of anything done or suffered to be done by the Trustee, any Security Registrar, any Paying Agent or the Company in reliance thereon, whether or not notation of such request, demand, authorization, direction, notice, consent, waiver or other Act is made upon such Security.

Section 1.05. *Notices, etc., to Trustee and Company.* (a) Any request, demand, direction, notice, or record of an Act of Holders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with, the Trustee by any Holder, or any request, demand, authorization, direction, notice, consent or waiver by the Company, shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to or with the Trustee at its Corporate Trust Office.

(b) Any record of an Act of Holders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with, the Company by the Trustee or any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to the Company addressed to the attention of Financial Department at Calle Azul 4, 28050 Madrid, Spain (finance.department@bbva.com), or at any other address previously furnished in writing to the Trustee by the Company.

Section 1.06. *Notice to Holders of Securities; Waiver.* (a) Except as otherwise expressly provided in or pursuant to this Indenture, where this Indenture provides for notice to Holders of Securities of any event, such notice shall be sufficiently given to Holders of Securities if in writing and mailed, first-class postage prepaid, to each Holder of a Security affected by such event, at his address as it appears in the Security Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such Notice.

(b) Any notice which is given in the manner provided in this Section 1.06 shall be conclusively presumed to have been duly given or provided. Without limiting the generality of the foregoing, in any case where notice to Holders of Securities is given by mail as provided by this Section 1.06, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder of a Security shall affect the sufficiency of such notice with respect to other Holders of Securities. In the case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice by mail, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

(c) Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders of Securities shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 1.07. *Language of Notices.* Any request, demand, authorization, direction, notice, consent, election or waiver required or permitted under this Indenture shall be in the English language, except that, if the Company so elects, any published notice may be in an official language of the country of publication.

Section 1.08. *Conflict with Trust Indenture Act.* If any provision hereof limits, qualifies or conflicts with a provision of the Trust Indenture Act that is required under such Act to be a part of and govern this Indenture, the provision of the Trust Indenture Act shall control. If any provision hereof modifies or excludes any provision of the Trust Indenture Act that may be so modified or excluded, the provision of the Trust Indenture Act shall be deemed to apply to this Indenture as so modified or to be excluded, as the case may be.

Section 1.09. *Effect of Headings and Table of Contents.* The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 1.10. *Successors and Assigns.* All covenants and agreements in this Indenture made by the Company shall bind its successors and assigns, whether so expressed or not.

Section 1.11. *Separability Clause.* In case any provision in this Indenture or any Security shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 1.12. *Benefits of Indenture.* Nothing in this Indenture or any Security, express or implied, shall give to any Person, other than the parties hereto, any Security Registrar, any Paying Agent and their successors hereunder and the Holders of Securities, any benefit, any legal or equitable right, remedy or claim under this Indenture.

Section 1.13. *Governing Law and Waiver of Jury Trial.* This Indenture and the Securities (except as set forth herein and therein) shall be governed by and construed under the laws of the State of New York applicable to agreements made or instruments entered into and, in each case, performed in said state, except that the authorization and execution by the Company of this Indenture, the authorization, issuance and execution by the Company of the Securities, the Securities as set forth therein and Article 14 hereof shall be governed by and construed in accordance with Spanish law. The parties hereto each hereby waive any right to trial by jury in any action, proceeding or counterclaim arising out of or relating to this Indenture or the Securities or any transaction related hereto or thereto to the fullest extent permitted by applicable law.

Section 1.14. *Legal Holidays.* In any case where any Interest Payment Date, Stated Maturity or Maturity of any Security, or the last date on which a Holder has the right to convert Securities of a series that are convertible, shall be a Legal Holiday at any Place of Payment, then (notwithstanding any other provision of this Indenture, any Security other than a provision in any Security that specifically states that such provision shall apply in lieu hereof) payment need not be made at such Place of Payment on such date, and such Securities need not be converted on such date but such payment may be made, and such Securities may be converted, on the next succeeding day that is a Business Day at such Place of Payment with the same force and effect as if made on the Interest Payment Date or at the Stated Maturity or Maturity, or on such last day for conversion and no interest shall accrue on the amount payable on such date or at such time for the period from and after such Interest Payment Date, Stated Maturity or Maturity, as the case may be.

Section 1.15. *Counterparts.* This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 1.16. *Appointment of Agent for Service; Submission to Jurisdiction.* The Company has designated and appointed Banco Bilbao Vizcaya Argentaria, S.A., New York Branch, 1345 Avenue of the Americas, 45th Floor, New York, New York 10105 as its authorized agent (the "**Authorized Agent**") upon which process may be served in any suit or proceeding in any U.S. federal or state court in the Borough of Manhattan, The City of New York arising out of or relating to the Securities or this Indenture, but for that purpose only, and agrees that service of process upon said Authorized Agent shall be deemed in every respect effective service of process upon it in any such suit or proceeding in any U.S. federal or state court in the Borough of Manhattan, The City of New York, New York. Such appointment shall be irrevocable so long as any of the Securities remain Outstanding until the appointment of a successor by the Company and such successor's acceptance of such appointment. Upon such acceptance, the Company shall notify the Trustee of the name and address of such successor. The Company further agrees to take any and all action, including the execution and filing of any and all such documents and instruments, as may be necessary to continue such designation and appointment of said Authorized Agent in full force and effect so long as any of the Securities shall be Outstanding. The Trustee shall not be obligated and shall have no responsibility with respect to any failure by the Company to take any such action. The Company hereby submits (for the purpose of any such suit or proceeding) to the jurisdiction of any such court in which any such suit or proceeding is so instituted, and waives, to the extent it may effectively do so, any objection it may have now or hereafter to the laying of the venue of any such suit or proceeding.

ARTICLE 2
SECURITIES FORMS

Section 2.01. *Forms Generally.* Each Security issued pursuant to this Indenture shall be substantially in the form set forth in Exhibits A and B hereto or in such other form established by or pursuant to a Board Resolution or in one or more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by or pursuant to this Indenture or any indenture supplemental hereto and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may, consistently herewith, be determined by the officers executing such Security as evidenced by their execution of such Security.

The Securities shall be issuable in registered form without coupons. Unless otherwise provided in or pursuant to this Indenture, the Securities shall not be issuable upon the exercise of warrants.

Definitive Securities shall be printed, lithographed or engraved or produced by any combination of these methods on a steel engraved border or steel engraved borders or may be produced in any other manner, all as determined by the officers of the Company executing such Securities, as evidenced by their execution of such Securities.

Section 2.02. *Form of Trustee's Certificate of Authentication.* Subject to Section 6.13, the Trustee's certificate of authentication shall be in substantially the following form:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

The Bank of New York Mellon, as Trustee

By: _____
Authorized Officer

Section 2.03. *Securities in Global Form.* The Securities may be issuable in global form, substantially in the form set forth in Exhibits B and C hereto or in such other form established by or pursuant to a Board Resolution or in one or more indentures supplemental hereto. If Securities of a series shall be issuable in global form, any such Security may provide that it or any number of such Securities shall represent the aggregate amount of all Outstanding Securities of such series (or such lesser amount as is permitted by the terms thereof) from time to time endorsed thereon and may also provide that the aggregate amount of Outstanding Securities represented thereby may from time to time be increased or reduced to reflect exchanges of interests in the Global Security for Securities issued in definitive form on the books and records of the Security Registrar. Any endorsement of any Global Security to reflect the amount, or any increase or decrease in the amount, or changes in the rights of Holders of Outstanding Securities represented thereby shall be made in such manner and by such Person or Persons as shall be specified therein or in the Company Order to be delivered pursuant to Section 3.03 or Section 3.04 with respect thereto. Subject to the provisions of Section 3.03 and, if applicable, Section 3.04, the Trustee shall deliver and redeliver any Global Security in permanent form in the manner and upon instructions given by the Person specified therein or in the applicable Company Order. If a Company Order pursuant to Section 3.03 or Section 3.04 has been, or simultaneously is, delivered, any instructions by the Company with respect to a Global Security shall be in writing but need not be accompanied by or contained in an Officer's Certificate and need not be accompanied by an Opinion of Counsel.

Notwithstanding the provisions of Section 3.07, unless otherwise specified as contemplated by Section 3.01, payment of principal of and any premium and interest on any Global Security in permanent form shall be made to the Person or Persons specified in the Global Security.

Notwithstanding the provisions of Section 3.08 and except as provided in the preceding paragraph, the Company, the Trustee and any agent of the Company or the Trustee shall treat as the Holder of such principal amount of Outstanding Securities represented by a permanent Global Security in registered form, the Holder of such permanent Global Security in registered form.

Section 2.04. *Forms of Legends for Global Securities*. Unless otherwise specified as contemplated by Section 3.01 for the Securities evidenced thereby, every Global Security authenticated and delivered hereunder which is deposited with The Depository Trust Company shall bear legends in substantially the following form:

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE THEREOF. UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR SECURITIES IN CERTIFICATED FORM, THIS SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITORY TRUST COMPANY (THE "DEPOSITORY") TO A NOMINEE OF THE DEPOSITORY OR BY THE DEPOSITORY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITORY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITORY. UNLESS THIS GLOBAL SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

This Security may not be offered or sold in the Kingdom of Spain by means of a public offer (as defined and construed by Spanish law) and may only be offered or sold in the Kingdom of Spain in compliance with the requirements of Royal Legislative Decree 4/2015 of October 23 (as amended from time to time) on the Spanish Securities Market and Royal Decree 1310/2005 of November 4, 2005 on listing in secondary markets, public offers and the prospectus required for those purposes.

ARTICLE 3
THE SECURITIES

Section 3.01. *Amount Unlimited; Issuable in Series.* The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is unlimited. The Securities may be issued in one or more series. The Securities shall be subordinated in right of payment as provided in Article 14.

With respect to any Securities to be authenticated and delivered hereunder, there shall be established or issued in or pursuant to a Board Resolution and set forth in an Officer's Certificate, or established in one or more indentures supplemental hereto, prior to the issuance of any Securities of a series,

(a) the title of such Securities and series in which such Securities shall be included;

(b) any limit on the aggregate principal amount of the Securities of such title or the Securities of such series which may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration or transfer of, or in exchange for, or in lieu of, other Securities of such series pursuant to Sections 3.04, 3.05, 3.06, 9.05 or 11.07 or the terms of such Securities and except for any Securities that, pursuant to Section 3.03, are deemed never to have been authenticated and delivered hereunder);

(c) whether such Securities may be converted into or exercised or exchanged for debt or equity securities of the Company or one or more third parties, the terms on which conversion, exercise or exchange may occur, including whether conversion, exercise or exchange is mandatory, at the option of the holder or at the Company's option, the period during which conversion, exercise or exchange may occur, the initial conversion, exercise or exchange price or rate and the circumstances or manner in which the amount of securities issuable or deliverable upon conversion, exercise or exchange may be adjusted;

(d) the price or prices (expressed as a percentage of the aggregate principal amount thereof) at which such Securities will be issued;

(e) if any of such Securities are to be issuable in global form, when any of such Securities are to be issuable in global form and (i) whether beneficial owners of interests in any such Global Security may exchange such interests for Securities of the same series and of like tenor and of any authorized form and denomination, and the circumstances under which any such exchanges may occur, if other than in the manner specified in Section 3.05, (ii) the name of the Depository or the U.S. Depository, as the case may be, with respect to any Global Security and (iii) the form of any legend or legends that shall be borne by any such Global Security in addition to or in lieu of that set forth in Section 2.04;

(f) the date or dates, or the method or methods, if any, by which such date or dates shall be determined, on which the principal, or any portion of the principal amount, of such Securities is payable and, if other than the full principal amount thereof, the portion, or the method or methods by which such portion is determined, of the principal amount of such Securities payable on such date or dates;

(g) the rate or rates (which may be fixed or variable) at which such Securities will bear interest, if any, or the method or methods, if any, by which such rate or rates are to be determined, the date or dates, if any, from which such interest shall accrue or the method or methods, if any, by which such date or dates are to be determined, the Interest Payment Dates, if any, on which such interest shall be payable and the Regular Record Date, if any, for the interest payable on Securities on any Interest Payment Date, whether and under what circumstances Additional Amounts on such Securities or any of them shall be payable, the notice, if any, to Holders regarding the determination of interest on a floating rate Security and the manner of giving such notice, and the basis upon which interest shall be calculated if other than that of a 360-day year of twelve 30-day months;

(h) if in addition to or other than the Borough of Manhattan, The City of New York, the place or places where the principal of, any premium and interest on or any Additional Amounts with respect to such Securities shall be payable, any of such Securities that are Securities may be surrendered for registration of transfer, any of such Securities may be surrendered for exchange and notices or demands to or upon the Company in respect of such Securities and this Indenture may be served; the extent to which, or the manner in which, any interest payment on a Global Security on an Interest Payment Date will be paid and the manner in which any principal of or premium, if any, on any Global Security will be paid;

(i) whether any of such Securities are to be redeemable at the option of the Company or of the Holder thereof and, if so, the period or periods within which, the price or prices at which and the other terms and conditions upon which such Securities may be redeemed, in whole or in part, at the option of the Company or of the Holder thereof and the terms and provisions of such optional redemption;

(j) whether the Company is obligated to redeem or purchase any of such Securities pursuant to any sinking fund or analogous provision or at the option of any Holder thereof and, if so, the period or periods within which, the price or prices at which and the other terms and conditions upon which such Securities shall be redeemed or purchased, in whole or in part, pursuant to such obligation, and any provisions for the remarketing of such Securities so redeemed or purchased;

(k) the denominations in which any of such Securities shall be issuable;

(l) whether any of the Securities will be issued as Original Issue Discount Securities;

(m) if other than the principal amount thereof, the portion of the principal amount of any of such Securities that shall be payable upon declaration of acceleration of the Maturity thereof pursuant to Section 5.02 or the method by which such portion is to be determined;

(n) if other than Dollars, the Foreign Currency in which payment of the principal of, any premium or interest on or any Additional Amounts with respect to any of such Securities shall be payable and the manner of determining the equivalent thereof in Dollars for any purpose, including for purposes of the definition of "Outstanding" in Section 1.01;

(o) if the principal of, any premium or interest on or any Additional Amounts with respect to, any of such Securities are to be payable, at the election of the Company or a Holder thereof or otherwise, in a Currency other than that in which such Securities are stated to be payable, the period or periods within which, and the other terms and conditions upon which, such election may be made, and the time and manner of determining the exchange rate between the Currency in which such Securities are denominated or stated to be payable and the Currency in which such Securities or any of them are to be so payable;

(p) whether the amount of payments of principal of, any premium or interest on or any Additional Amounts with respect to, such Securities may be determined with reference to an index, formula or other method or methods (which index, formula or method or methods may be based, without limitation, on one or more Currencies, commodities, equity indices or other indices), and, if so, the terms and conditions upon which and the manner in which such amounts shall be determined and paid or payable;

(q) any deletions from (which may be in its entirety), modifications of or additions to the Events of Default or covenants of the Company with respect to any of such Securities, whether or not such Events of Default or covenants are consistent with the Events of Default or covenants set forth herein and any change in the right of the Trustee or the requisite Holders of such Securities to declare the principal amount thereof due and payable pursuant to Section 5.02;

(r) the applicability, if any, of Section 4.02 to any of such Securities and any provisions in modification of, in addition to or in lieu of any of the provisions of Section 4.02;

(s) if any of such Securities are to be issuable upon the exercise of warrants, the time, manner and place for such Securities to be authenticated and delivered;

(t) if any of such Securities are to be issuable in global form and are to be issuable in definitive form (whether upon original issue or upon exchange of a temporary Security) only upon receipt of certain certificates or other documents or satisfaction of other conditions, then the form and terms of such certificates, documents or conditions;

(u) if there is more than one Trustee, the identity of the Trustee and, if not the Trustee, the identity of each Security Registrar, Paying Agent or Authenticating Agent with respect to such Securities;

(v) the "Stated Intervals" and the "Record Date" for purposes of Sections 312(a) (in the case of non-interest bearing Securities) and 316(c), respectively, of the Trust Indenture Act;

(w) any other terms of such Securities which the Company may establish in accordance with Article 9;

(x) the deed of issuance (*escritura de emisión*), if required, which shall be in the Spanish language, related to that series of Securities; and

(y) any deletions from (which may be in its entirety), modifications of or additions to the provisions of Section 10.04.

All Securities of any one series shall be substantially identical except as to denomination and except as may otherwise be provided in or pursuant to such Board Resolution or in any indenture supplemental hereto pertaining to such Securities. The terms of the Securities of any series may provide, without limitation, that the Securities shall be authenticated and delivered by the Trustee on original issue from time to time upon written order of persons designated in the Officer's Certificate or supplemental indenture and that such persons are authorized to determine, consistent with such Officer's Certificate or any applicable supplemental indenture, such terms and conditions of the Securities of such series as are specified in such Officer's Certificate or supplemental indenture. All Securities of any one series need not be issued at the same time and, unless otherwise so provided by the Company, a series may be reopened for issuances of additional Securities of such series or to establish additional terms of such series of Securities.

If any of the terms of the Securities of any series shall be established by action taken by or pursuant to a Board Resolution, the Board Resolution shall be delivered to the Trustee at or prior to the delivery of the Officer's Certificate setting forth the terms of such series.

Section 3.02. *Currency; Denominations*. Unless otherwise provided in or pursuant to this Indenture, the principal of, any premium and interest on and any Additional Amounts with respect to the Securities shall be payable in Dollars. Unless otherwise provided in or pursuant to this Indenture, Securities denominated in Dollars shall be issuable in registered form without coupons. Securities shall be issuable in such denominations as are established with respect to such Securities in or pursuant to this Indenture.

Section 3.03. *Execution, Authentication, Delivery and Dating.* Securities shall be executed on behalf of the Company by one of the representatives of the Company entitled to do so by Board Resolution or by any member of the Board of Directors. The signature of any of these officers on the Securities may be manual or facsimile.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities, executed by the Company, to the Trustee for authentication and, *provided* that the Board Resolution and Officer's Certificate or supplemental indenture or indentures with respect to such Securities referred to in Section 3.01 and a Company Order for the authentication and delivery of such Securities have been delivered to the Trustee, the Trustee in accordance with the Company Order and subject to the provisions hereof and of such Securities shall authenticate and deliver such Securities. In authenticating such Securities, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to Sections 315(a) through 315(d) of the Trust Indenture Act) shall be fully protected in relying upon,

(a) an Opinion of Counsel to the effect that:

(i) the form or forms and terms of such Securities, if any, have been established in conformity with the provisions of this Indenture;

(ii) all conditions precedent to the authentication and delivery of such Securities have been complied with and that such Securities, when completed by appropriate insertion and executed and delivered by the Company to the Trustee for authentication pursuant to this Indenture and authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar laws affecting the enforcement of creditors' rights generally, and subject to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) and will entitle the Holders thereof to the benefits of this Indenture; such Opinion of Counsel need express no opinion as to the availability of equitable remedies;

(iii) all laws and requirements in respect of the execution and delivery by the Company of such Securities, if any, have been complied with; and

(iv) this Indenture has been qualified under the Trust Indenture Act; and

(b) an Officer's Certificate stating that, to the best knowledge of the Persons executing such certificate, no event which is, or after notice or lapse of time would become, an Event of Default with respect to any of the Securities shall have occurred and be continuing.

If all the Securities of any series are not to be issued at one time, it shall not be necessary to deliver an Opinion of Counsel and an Officer's Certificate at the time of issuance of each Security, but such opinion and certificate, with appropriate modifications, shall be delivered at or before the time of issuance of the first Security of such series. After any such first delivery, any separate request by the Company that the Trustee authenticate Securities of such series for original issue will be deemed to be a certification by the Company that all conditions precedent provided for in this Indenture relating to authentication and delivery of such Securities continue to have been complied with.

The Trustee shall not be required to authenticate or to cause an Authenticating Agent to authenticate any Securities if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee or if the Trustee, being advised by counsel, determines that such action may not lawfully be taken.

Each Security shall be dated the date of its authentication.

No Security shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose, unless there appears on such Security a certificate of authentication substantially in the form provided for in Section 2.02 or 6.13 executed by or on behalf of the Trustee by the manual signature of one of its authorized officers or by the Authenticating Agent. Such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder.

Notwithstanding the foregoing, if any Security shall have been authenticated and delivered hereunder but never issued and sold by the Company, and the Company shall deliver such Security to the Trustee for cancellation as provided in Section 3.09, for all purposes of this Indenture such Security shall be deemed never to have been authenticated and delivered hereunder and shall never be entitled to the benefits of this Indenture.

Section 3.04. *Temporary Securities.* Pending the preparation of definitive Securities, the Company may execute and deliver to the Trustee and, upon Company Order, the Trustee shall authenticate and deliver, in the manner provided in Section 3.03, temporary Securities in lieu thereof which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued, in registered form. Such temporary Securities may be in global form.

Except in the case of temporary Global Securities, which shall be exchanged in accordance with the provisions thereof, if temporary Securities are issued, the Company shall cause definitive Securities to be prepared without unreasonable delay. After the preparation of definitive Securities of the same series and containing terms and provisions that are identical to those of any temporary Securities, such temporary Securities shall be exchangeable for such definitive Securities upon surrender of such temporary Securities at an Office or Agency for such Securities, without charge to any Holder thereof. Upon surrender for cancellation of any one or more temporary Securities, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Securities of authorized denominations of the same series and containing identical terms and provisions. Unless otherwise provided in or pursuant to this Indenture with respect to a temporary Global Security, until so exchanged the temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series.

Section 3.05. *Registration, Transfer and Exchange.* (a) The Company shall cause to be kept a register (each such register being herein sometimes referred to as the "**Security Register**") at an Office or Agency for such series in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of the Securities of such series and of transfers of the Securities of such series. Such Office or Agency shall be the "Security Registrar" for that series of Securities. In the event that the Trustee shall not be the Security Registrar, it shall have the right to examine the Security Register at all reasonable times. The Bank of New York Mellon is hereby initially appointed as Security Registrar for each series of Securities. The Trustee shall have the right to examine the Security Register for such series at all reasonable times. Unless otherwise provided with respect to a particular series of Securities, there shall be only one Security Register for each series of Securities.

(b) Upon surrender for registration of transfer of any Security of any series at any Office or Agency for such series, the Company shall execute and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Securities of the same series denominated as authorized in or pursuant to this Indenture, of a like aggregate principal amount bearing a number not contemporaneously outstanding and containing identical terms and provisions.

(c) At the option of the Holder, Securities of any series may be exchanged for other Securities of the same series containing identical terms and provisions, in any authorized denominations, and of a like aggregate principal amount, upon surrender of the Securities to be exchanged at any Office or Agency for such series. Whenever any Securities are so surrendered for exchange, the Company shall execute and the Trustee shall authenticate and deliver, the Securities which the Holder making the exchange is entitled to receive.

(d) Each Global Security authenticated under this Indenture shall be registered in the name of the Depository designated for such Global Security or a nominee thereof and delivered to such Depository or a nominee thereof or custodian therefor, and each such Global Security shall constitute a single Security for all purposes of this Indenture. Notwithstanding any other provision of this Section, unless and until it is exchanged in whole or in part for definitive registered securities, a Global Security may not be transferred except as a whole by the Depository to a nominee of such Depository or by a nominee of such Depository to such Depository or by such Depository. Except as otherwise provided in or pursuant to this Indenture, any Global Security shall be exchangeable for definitive Securities only if (i) the Depository is at any time unwilling, unable or ineligible to continue as Depository or has ceased to be a clearing agency registered under the Exchange Act and, in either case, a successor depository is not appointed by the Company within 60 days of the date the Company is so informed in writing, (ii) the Company executes and delivers to the Trustee a Company Order to the effect that it has elected to cause the issuance of definitive registered Securities, (iii) an Event of Default has occurred and is continuing with respect to the Securities, or (iv) there shall exist such circumstances, if any, in addition to or in lieu of the foregoing as have been specified for this purpose as contemplated by Section 3.01. If the beneficial owners of interests in a Global Security are entitled to exchange such interests for definitive Securities, then without unnecessary delay but in any event not later than the earliest date on which such interests may be so exchanged, the Company shall deliver to the Trustee definitive Securities in such form and denominations as are required by or pursuant to this Indenture, and of the same series, containing identical terms and in aggregate principal amount equal to the principal amount of such Global Security, executed by the Company. On or after the earliest date on which such interests may be so exchanged, such Global Security shall be surrendered from time to time by the U.S. Depository or such other Depository as shall be specified in the Company Order with respect thereto, and in accordance with instructions given to the Trustee and the U.S. Depository or such other Depository, as the case may be (which instructions shall be in writing but need not be contained in or accompanied by an Officer's Certificate or be accompanied by an Opinion of Counsel), as shall be specified in the Company Order with respect thereto to the Trustee, as the Company's agent for such purpose, to be exchanged, in whole or in part, for definitive Securities as described above without charge. The Trustee shall authenticate and make available for delivery, in exchange for each portion of such surrendered Global Security, a like aggregate principal amount of definitive Securities of the same series of authorized denominations and of like tenor as the portion of such Global Security to be exchanged, as shall be specified by the beneficial owner thereof; *provided, however,* that no such exchanges may occur during a period beginning at the opening of business 15 days before any selection of Securities of the same series to be redeemed and ending on the relevant Redemption Date. Promptly following any such exchange in part, such Global Security shall be returned by the Trustee to such Depository or the U.S. Depository, as the case may be, or such other Depository or U.S. Depository referred to above in accordance with the instructions of the Company referred to above. If a Security is issued in exchange for any portion of a Global Security after the close of business at the Office or Agency for such Security where such exchange occurs on or after (i) any Regular Record Date for such Security and before the opening of business at such Office or Agency on the next Interest Payment Date, or (ii) any Special Record Date for such Security and before the opening of business at such Office or Agency on the related proposed date for payment of interest or Defaulted Interest, as the case may be, interest shall not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect of such Security, but shall be payable on such Interest Payment Date or proposed date for payment, as the case may be, only to the Person to whom interest in respect of such portion of such Global Security shall be payable in accordance with the provisions of this Indenture.

(e) All Securities issued upon any registration of transfer or exchange of Securities shall be the valid obligations of the Company evidencing the same debt and entitling the Holders thereof to the same benefits under this Indenture as the Securities surrendered upon such registration of transfer or exchange.

(f) Every Security presented or surrendered for registration of transfer or for exchange or redemption shall (if so required by the Company or the Security Registrar for such Security) be duly endorsed, or be accompanied by a written instrument of transfer substantially in the form set forth in Exhibit D hereto or in such other form satisfactory to the Company and the Security Registrar for such Security duly executed by the Holder thereof or his attorney duly authorized in writing.

(g) No service charge shall be made for any registration of transfer or exchange, or redemption of Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge and any other expenses (including the fees and expenses of the Trustee) that may be imposed in connection with any registration of transfer or exchange of Securities, other than exchanges pursuant to Section 3.04, 9.05 or 11.07 not involving any transfer.

(h) Except as otherwise provided in or pursuant to this Indenture, the Company shall not be required (i) to issue, register the transfer of or exchange any Securities during a period beginning at the opening of business 15 days before the day of the selection for redemption of Securities of like tenor and the same series under Section 11.03 and ending at the close of business on the day of such selection, or (ii) to register the transfer of or exchange any Security so selected for redemption in whole or in part, except in the case of any Security to be redeemed in part, the portion thereof not to be redeemed or (iii) to issue, register the transfer of or exchange any Security which, in accordance with its terms, has been surrendered for repayment at the option of the Holder, except the portion, if any, of such Security not to be so repaid.

Section 3.06. *Mutilated, Destroyed, Lost and Stolen Securities.* (a) If any mutilated Security is surrendered to the Trustee, subject to the provisions of this Section 3.06, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a new Security of the same series containing identical terms and of like principal amount and bearing a number not contemporaneously outstanding, appertaining to the surrendered Security.

(b) If there be delivered to the Company and to the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security, and (ii) such security or indemnity as may be required by them to save each of them and any agent of either of them harmless, then, in the absence of notice to the Company or the Trustee that such Security has been acquired by a protected purchaser, the Company shall execute and, upon the Company's request the Trustee shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Security, a new Security of the same series containing identical terms and of like principal amount and bearing a number not contemporaneously outstanding.

(c) Notwithstanding the foregoing provisions of this Section 3.06, in case any mutilated, destroyed, lost or stolen Security has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay such Security.

(d) Upon the issuance of any new Security under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

(e) Every new Security issued pursuant to this Section in lieu of any destroyed, lost or stolen Security, shall constitute a separate obligation of the Company, whether or not the destroyed, lost or stolen Security shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of such series, if any, duly issued hereunder.

(f) The provisions of this Section, as amended or supplemented pursuant to this Indenture with respect to particular Securities or generally, shall be exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities.

Section 3.07. *Payment of Interest and Certain Additional Amounts; Rights to Interest and Certain Additional Amounts Preserved.* (a) Unless otherwise provided in or pursuant to this Indenture, any interest on and any Additional Amounts with respect to any Security which shall be payable, and are punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name such Security (or one or more Predecessor Securities) is registered as of the close of business on the Regular Record Date for such interest.

The Company shall, before 10:00 a.m. (New York time) on each due date of the principal or (and premium, if any) or interest or any other amounts due on any Securities, deposit with a Paying Agent a sum in immediately available funds sufficient to pay the principal (and premium, if any) or interest or any other amounts due or so becoming due, such sum to be held in trust by the Paying Agent for the benefit of the Persons entitled to such principal, premium or interest or any other amounts due and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee and the Paying Agent of its action or failure so to act. Subject to actual receipt of such funds as provided by this Section by the designated Paying Agent, such Paying Agent shall make payments on the Securities in accordance with the provisions of this Indenture.

(b) Unless otherwise provided in or pursuant to this Indenture, any interest on and any Additional Amounts with respect to any Security which shall be payable, but shall not be punctually paid or duly provided for, on any Interest Payment Date for such Security (herein called "**Defaulted Interest**") shall forthwith cease to be payable to the Holder thereof on the relevant Regular Record Date by virtue of having been such Holder; and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in Clause (i) or (ii) below:

(i) The Company may elect to make payment of any Defaulted Interest to the Person in whose name such Security (or a Predecessor Security thereof) shall be registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on such Security and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit on or prior to the date of the proposed payment, such money when so deposited to be held in trust for the benefit of the Person entitled to such Defaulted Interest as in this Clause

provided. Thereupon, the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than ten days prior to the date of the proposed payment and not less than ten days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to the Holder of such Security (or a Predecessor Security thereof) at his address as it appears in the Security Register not less than ten days prior to such Special Record Date. The Trustee shall, at the instruction of the Company, in the name and at the expense of the Company, cause a similar notice to be published at least once in an Authorized Newspaper of general circulation in the Borough of Manhattan, The City of New York, but such publication shall not be a condition precedent to the establishment of such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the Person in whose name such Security (or a Predecessor Security thereof) shall be registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following Clause (ii).

(ii) The Company may make payment of any Defaulted Interest in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Security may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this Clause, such payment shall be deemed practicable by the Trustee.

(c) If so provided in the form of Securities of any particular series pursuant to the provisions of this Indenture, at the option of the Company, interest on Securities that bear interest may be paid by mailing a check to the address of the Person entitled thereto as such address shall appear in the Security Register or by transfer to an account maintained by the payee with a bank located in the United States.

(d) Subject to the foregoing provisions of this Section and Section 3.05, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Security shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

Section 3.08. *Persons Deemed Owners.* (a) Prior to due presentment of a Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name such Security is registered in the Security Register as the owner of such Security for the purpose of receiving payment of principal of, any premium and (subject to Section 3.07) interest on and any Additional Amounts with respect to such Security and for all other purposes whatsoever, whether or not any payment with respect to such Security shall be overdue, and neither the Company nor the Trustee or any agent of the Company or the Trustee shall be affected by notice to the contrary.

(b) No holder of any beneficial interest in any Global Security held on its behalf by a Depository shall have any rights under this Indenture with respect to such Global Security, and such Depository may be treated by the Company, the Trustee, and any agent of the Company or the Trustee as the owner of such Global Security for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall impair, as between the Depository and such holders of beneficial interests, the operation of customary practices governing the exercise of the rights of the Depository as Holder of any Security. None of the Company, the Trustee, any Paying Agent or the Security Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Global Security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Section 3.09. *Cancellation.* All Securities surrendered for payment, redemption, registration of transfer or exchange or for credit against any sinking fund payment shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee, and any such Securities, as well as Securities surrendered directly to the Trustee for any such purpose, shall be cancelled promptly by the Trustee. The Company may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and may deliver to the Trustee (or to any other Person for delivery to the Trustee) for cancellation any Securities previously authenticated hereunder that the Company has not issued and sold, and all Securities so delivered shall be cancelled promptly by the Trustee. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section, except as expressly permitted by or pursuant to this Indenture. All cancelled Securities held by the Trustee shall be cancelled by the Trustee in accordance with its customary practice, unless by a Company Order the Company directs their return to it.

Section 3.10. *Computation of Interest.* Except as otherwise provided in or pursuant to this Indenture, interest on the Securities shall be computed on the basis of a 360-day year of twelve 30-day months.

ARTICLE 4

SATISFACTION AND DISCHARGE OF INDENTURE

Section 4.01. *Satisfaction and Discharge.* (a) Upon the direction of the Company by a Company Order, this Indenture shall cease to be of further effect with respect to any series of Securities specified in such Company Order (except as to any surviving rights of registration of transfer or exchange or conversion of Securities of such series herein expressly provided for and any right to receive Additional Amounts), and the Trustee, on receipt of a Company Order, at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture as to such series, when

(i) either

(A) all Securities of such series theretofore authenticated and delivered (other than (y) Securities of such series which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 3.06 and (z) Securities of such series for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 10.03) have been delivered to the Trustee for cancellation; or

(B) all Securities of such series and, in the case of (1) or (2) below, not theretofore delivered to the Trustee for cancellation

(1) have become due and payable, or

(2) will become due and payable at their Stated Maturity within one year, or

(3) if redeemable at the option of the Company, are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company,

and the Company, in the case of (1), (2) or (3) above, has deposited or caused to be deposited with the Trustee as trust funds in trust for such purpose, money in an amount sufficient to pay and discharge the entire indebtedness on such Securities not theretofore delivered to the Trustee for cancellation, including the principal of, any premium and interest on, and any Additional Amounts with respect to such Securities, to the date of such deposit (in the case of Securities which have become due and payable) or to the Maturity thereof, as the case may be;

(ii) the Company has paid or caused to be paid all other sums payable hereunder by the Company with respect to the Outstanding Securities of such series; and

(iii) the Company has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture as to such series have been complied with.

(b) In addition, upon the exercise of the Spanish Bail-in Power with respect to a series of Securities which results in the redemption, cancellation, or the conversion into other securities, of all the Amounts Due on the Securities of such series or such Securities otherwise ceasing to be outstanding, the Indenture shall be deemed satisfied and discharged as to such series of Securities.

(c) In the event there are Securities of two or more series hereunder, the Trustee shall be required to execute an instrument acknowledging satisfaction and discharge of this Indenture only if requested to do so with respect to Securities of such series as to which it is Trustee and if the other conditions thereto are met.

(d) Notwithstanding the satisfaction and discharge of this Indenture with respect to any series of Securities, the obligations of the Company to the Trustee under Sections 6.06 and 6.07 and, if money shall have been deposited with the Trustee pursuant to subclause (B) of clause (a)(i) of this Section, the obligations of the Trustee under Sections 3.05, 3.06, 4.03 and the last paragraph of Section 10.03 shall survive.

Section 4.02. *Defeasance and Covenant Defeasance.* (a) If, pursuant to Section 3.01, provision is made for either or both of (i) defeasance of the Securities of or within a series under subsection (b) of this Section 4.02 or (ii) covenant defeasance of the Securities

of or within a series under subsection (c) of this Section 4.02, then such provisions, together with the other provisions of this Section 4.02 (with such modifications thereto as may be specified pursuant to Section 3.01 with respect to such Securities), shall be applicable to such Securities, and the Company may at its option by Company Order, at any time, with respect to such Securities, elect to have Section 4.02(b) (if applicable) or Section 4.02(c) (if applicable) be applied to such Outstanding Securities upon compliance with the conditions set forth below in this Section 4.02.

(b) Upon the Company's exercise of the above option applicable to this Section 4.02(b) with respect to any Securities of or within a series, the Company shall be deemed to have been discharged from its obligations with respect to such Outstanding Securities on the date the conditions set forth in subsection (d) of this Section 4.02 are satisfied (hereinafter, "**defeasance**"). For this purpose, such defeasance means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by such Outstanding Securities, and such Securities shall thereafter be deemed to be "Outstanding" only for the purposes of subsection (e) of this Section 4.02 and the other Sections of this Indenture referred to in clauses (i) and (ii) below, and the Company shall be deemed to have satisfied all of its other obligations under such Securities and this Indenture insofar as such Securities are concerned (and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following which shall survive until otherwise terminated or discharged hereunder: (i) the rights of Holders of such Outstanding Securities to receive, solely from the trust fund described in subsection (d) of this Section 4.02 and as more fully set forth in such Section, payments in respect of the principal of (and premium, if any) and interest, if any, on such Securities when such payments are due, (ii) the Company's obligations with respect to such Securities under Sections 3.05, 3.06, 10.02 and 10.03 and with respect to the payment of Additional Amounts, if any, on such Securities as contemplated by Section 10.04, (iii) the rights, powers, trusts, duties and immunities of the Trustee hereunder and (iv) this Section 4.02. The Company may exercise its option under this Section 4.02(b) notwithstanding the prior exercise of its option under subsection (c) of this Section 4.02 with respect to such Securities.

(c) Upon the Company's exercise of the above option applicable to this Section 4.02(c) with respect to any Securities of or within a series, the Company shall be released from, if specified pursuant to Section 3.01, its obligations under any other covenant, with respect to such Outstanding Securities on and after the date the conditions set forth in subsection (d) of this Section 4.02 are satisfied (hereinafter, "**covenant defeasance**"), and such Securities shall thereafter be deemed to be not "Outstanding" for the purposes of any direction, waiver, consent or declaration or Act of Holders (and the consequences of any thereof) in connection with such other covenant, but shall continue to be deemed "Outstanding" for all other purposes hereunder. For this purpose, such covenant defeasance means that, with respect to such Outstanding Securities, the Company may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such Section or such other covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such Section or such other covenant or by reason of reference in any such Section or such other covenant to any other provision herein or in any other document and such omission to comply shall not constitute a default or an Event of Default, as the case may be, but, except as specified above, the remainder of this Indenture and such Securities shall be unaffected thereby.

(d) The following shall be the conditions to application of subsection (b) or (c) of this Section 4.02 to any Outstanding Securities of or within a series:

(i) The Company shall irrevocably have deposited or caused to be deposited with the Trustee (or another trustee satisfying the requirements of Section 6.08 who shall agree to comply with the provisions of this Section 4.02 applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefit of the Holders of such Securities, (A) an amount in Dollars or in such Foreign Currency in which such Securities are then specified as payable at Stated Maturity, or (B) U.S. Government Obligations applicable to such Securities (determined on the basis of the Currency in which such Securities are then specified as payable at Stated Maturity) which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment of principal of (and premium, if any) and interest, if any, on such Securities, money in an amount, or (C) a combination thereof, in any case, in an amount, sufficient, without consideration of any reinvestment of such principal and interest, in the opinion of a nationally recognized firm of Independent Public Accountants expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which shall be applied by the Trustee (or other qualifying trustee) to pay and discharge, (y) the principal of (and premium, if any) and interest, if any, on such outstanding Securities on the Stated Maturity of such principal or installment of principal or interest and (z) any mandatory sinking fund payments or analogous payments applicable to such Outstanding Securities on the day on which such payments are due and payable in accordance with the terms of this Indenture and of such Securities.

(ii) Such defeasance or covenant defeasance shall not result in a breach or violation of, or constitute a default under, this Indenture or any other material agreement or instrument to which the Company is a party or by which it is bound.

(iii) No Event of Default or event which with notice or lapse of time or both would become an Event of Default with respect to such Securities shall have occurred and be continuing on the date of the establishment of such trust and, with respect to legal defeasance only, at any time during the period ending on the 91st day after the date of such deposit (it being understood that this condition shall not be deemed satisfied until the expiration of such period).

(iv) In the case of an election under subsection (b) of this Section 4.02, the Company shall have delivered to the Trustee an Opinion of Counsel of recognized standing stating that (A) the Company has received from the Internal Revenue Service a letter ruling, or there has been published by the Internal Revenue Service a Revenue Ruling, or (B) since the date of the applicable prospectus supplement, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon such opinion shall confirm that, the beneficial owners of such Outstanding Securities will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such legal defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such legal defeasance had not occurred.

(v) In the case of an election under subsection (c) of this Section 4.02, the Company shall have delivered to the Trustee an Opinion of Counsel of recognized standing to the effect that the beneficial owners of such Outstanding Securities will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such covenant defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such covenant defeasance had not occurred.

(vi) Such defeasance or covenant defeasance shall not cause the Trustee to have a conflicting interest within the meaning of the Trust Indenture Act (assuming all relevant Securities are in default within the meaning of such Act).

(vii) Such defeasance or covenant defeasance shall not result in the trust arising from such deposit constituting an investment company within the meaning of the Investment Company Act of 1940, as amended, and rules and regulations adopted by the Commission thereunder, unless such trust shall be registered under such Act or exempt from registration thereunder.

(viii) The Company shall have delivered to the Trustee an Opinion of Counsel substantially to the effect that (x) the trust funds deposited pursuant to this Section will not be subject to any rights of holders of Company Senior Indebtedness, including those arising under Article 14, and (y) after the second anniversary following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, except that if a court were to rule under any such law in any case or proceeding that the trust funds remained property of the Company, no opinion is given as to the effect of such laws on the trust funds except the following: (A) assuming such trust funds remained in the possession of the trustee with whom such funds were deposited prior to such court ruling to the extent not paid to Holders of such Securities, such trustee would hold, for the benefit of such Holders, a valid and perfected security interest in such trust funds that is not avoidable in bankruptcy or otherwise, (B) such Holders would be entitled to receive adequate protection of their interests in such trust funds if such trust funds were used and (C) no property, rights in property or other interests granted to such trustee for the Trustee or such Holders in exchange for or with respect to any such funds would be subject to any prior rights of holders of Company Senior Indebtedness, including those arising under Article 14.

(ix) The Company shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent to the defeasance or covenant defeasance under subsection (b) or (c) of this Section 4.02 (as the case may be) have been complied with.

(x) Notwithstanding any other provisions of this Section 4.02(d), such defeasance or covenant defeasance shall be effected in compliance with any additional or substitute terms, conditions or limitations which may be imposed on the Company in connection therewith pursuant to Section 3.01.

(e) Subject to the provisions of the last paragraph of Section 10.03, all money and U.S. Government Obligations (or other property as may be provided pursuant to Section 3.01) (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 4.02(e), the "**Trustee**") pursuant to subsection (d) of Section 4.02 in respect of any Outstanding Securities of any series shall be held in trust and applied by the Trustee, in accordance with the provisions of such Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Holders of such Securities of all sums due and to become due thereon in respect of principal (and premium, if any) and interest and Additional Amounts, if any, but such money need not be segregated from other funds except to the extent required by law.

(f) Unless otherwise specified with respect to any Security pursuant to Section 3.01, if, after a deposit referred to in Section 4.02 (d)(i) has been made, (i) the Holder of a Security in respect of which such deposit was made is entitled to, and does, elect pursuant to Section 3.01 or the terms of such Security to receive payment in a Currency other than that in which the deposit pursuant to Section 4.02(d)(i) has been made in respect of such Security, or (ii) a Conversion Event occurs in respect of the Foreign Currency in which the deposit pursuant to Section 4.02(d)(i) has been made, the indebtedness represented by such Security shall be deemed to have been, and will be, fully discharged and satisfied through the payment of the principal of (and premium, if any), interest, if any, and Additional Amounts, if any, on such Security as the same becomes due out of the proceeds yielded by converting (from time to time as specified below in the case of any such election) the amount or other property deposited in respect of such Security into the Currency in which such Security becomes payable as a result of such election or Conversion Event based on the applicable market exchange rate for such Currency in effect on the second Business Day prior to each payment date, except, with respect to a Conversion Event, for such Foreign Currency in effect at the time of the Conversion Event.

(g) Anything in this Section 4.02 to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon Company Request any money or U.S. Government Obligations (or other property and any proceeds therefrom) held by it as provided in subsection (d) of this Section 4.02 which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect a defeasance or covenant defeasance, as applicable, in accordance with this Section 4.02.

Section 4.03. *Application of Trust Money and Repayment to Company.* Subject to the provisions of the last paragraph of Section 10.03, all money and U.S. Government Obligations deposited with the Trustee pursuant to Section 4.01 or 4.02 shall be held in trust and applied by it, in accordance with the provisions of the Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent), to the Persons entitled thereto, of the principal, premium, interest and Additional Amounts for whose payment such money has or U.S. Government Obligations have been deposited with or received by the Trustee; but such money and U.S. Government Obligations need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the U.S. Government Obligations deposited pursuant to Section 4.02 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of Outstanding Securities.

The Trustee and any Paying Agent promptly shall pay to the Company upon Company Request any excess money and/or U.S. Government Obligations held by them at any time with respect to any series of Securities.

Section 4.04. *Prescription.* All claims made against the Company for payment of principal of, any premium or interest or Additional Amounts on, or in respect of, the Securities shall become void unless made within the earlier of (i) six years or (ii) any applicable shorter period provided for under New York law, starting from the later of the date on which such payment first became due and the date on which the full amount was received by the Trustee or the Paying Agent.

Section 4.05. *Reinstatement*. If the Trustee or any Paying Agent is unable to apply any money or U.S. Government Obligations in accordance with this Article 4 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the obligations of the Company under this Indenture and the Securities shall be revived and reinstated as though no deposit had occurred pursuant to this Article 4 until such time as the Trustee or such Paying Agent is permitted to apply all such money or U.S. Government Obligations in accordance with this Article 4; provided, however, that, if the Company has made any payment of principal of, any premium or interest on, or any Additional Amounts on any Securities because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Securities to receive such payment from the money or U.S. Government Obligations held by the Trustee or such Paying Agent.

ARTICLE 5
REMEDIES

Section 5.01. *Events of Default.* "**Event of Default**", wherever used herein with respect to Securities of any series, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body), unless, with respect to a particular series of Securities, such event is specifically deleted or modified in or pursuant to the supplemental indenture or Board Resolution creating such series of Securities or in the Officer's Certificate for such series, and except as set forth in the last paragraph of this Section 5.01:

(a) an order is made by any competent court commencing insolvency proceedings (*procedimientos concursales*) against the Company or an order of any competent court or administrative agency is made or a resolution is passed by the Company for the dissolution or winding up of the Company (except (i) in any such case for the purpose of a reconstruction or a merger or amalgamation which has been approved by an Act of the Holders of the Securities of such series or (ii) where the entity resulting from any such reconstruction or merger or amalgamation is a financial institution (*entidad de crédito* according to Article 1 of Law 10/2014 of June 26, on regulation, oversight and solvency of credit institutions, as amended, replaced or supplemented from time to time) and will have a rating for long-term senior debt assigned by Standard & Poor's Ratings Services, Moody's Investors Service or Fitch Ratings Ltd. equivalent to or higher than the rating for long-term senior debt of the Company immediately prior to such reconstruction or merger or amalgamation); or

(b) any other Event of Default that may be specified pursuant to Section 3.01.

Notwithstanding any other provision in this Indenture, any Resolution or Early Intervention with respect to the Company shall not, in and of itself and without regard to any other fact or circumstance, constitute a default or an Event of Default under paragraph 5.01(a) above or any other provision of this Indenture with respect to the Securities of any series. In addition, neither (i) a reduction or cancellation, in part or in full, of the Amounts Due on the Securities of any series or the conversion thereof into another security or obligation of the Company or another Person, in each case as a result of the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Company, nor (ii) the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities of any series will constitute an Event of Default or default under this Indenture or the Securities of any series. In addition, no repayment or payment of Amounts Due on the Securities of any series will become due and payable or be paid after the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority if, and to the extent that, such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

Section 5.02. *Acceleration of Maturity; Rescission and Annulment.* (a) If an Event of Default with respect to Securities of any series at the time Outstanding occurs and is continuing, then the Trustee, acting pursuant to an Act of the Holders of the Securities of the relevant series, with respect to all Outstanding Securities of such series, or the Holder of any Outstanding Security of the relevant series, with respect to such Security held by such Holder, may declare the principal, or such lesser amount as may be provided for in the Securities of such series, of such Securities or Security, as the case may be, to be due and payable immediately by giving written notice to the Company, and upon receipt of any such declaration such principal or such lesser amount shall become immediately due and payable.

(b) At any time after such a declaration of acceleration with respect to Securities or Security, as the case may be, of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of not less than a majority in principal amount of the Outstanding Securities of such series, may by Act, rescind and annul such declaration and its consequences if:

(i) the Company has paid or deposited with the Trustee a sum of money sufficient to pay:

(A) all overdue installments of any interest on and Additional Amounts with respect to all Securities of such series,

(B) the principal of and any premium on any Securities of such series which have become due otherwise than by such declaration of acceleration and interest thereon and any Additional Amounts with respect thereto at the rate or rates borne by or provided for in such Securities,

(C) to the extent that payment of such interest or Additional Amounts is lawful, interest upon overdue installments of any interest and Additional Amounts at the rate or rates borne by or provided for in such Securities, and

(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel and all other amounts due the Trustee under Section 6.07; and

(ii) all Events of Default with respect to Securities of such series, other than the non-payment of the principal of and any premium and interest on, and any Additional Amounts with respect to Securities of such series which shall have become due solely by such declaration of acceleration, shall have been cured or waived as provided in Section 5.13.

(c) No such rescission shall affect any subsequent default or impair any right consequent thereon.

Section 5.03. *Collection of Indebtedness and Suits for Enforcement by Trustee.* (a) The Company covenants that if:

(i) default is made in the payment of any installment of interest on or any Additional Amounts with respect to any Security when such interest or Additional Amounts shall have become due and payable and such default continues for a period of 21 days, or

(ii) default is made in the payment of the principal of or any premium on any Security at its Maturity and such default is not remedied, in the case of a default in the payment of the principal, within 14 days and, in the case of a default in the payment of any premium, within 30 days,

the Company shall, upon demand of the Trustee, pay to the Trustee, for the benefit of the Holders of such Securities, the whole amount of money then due and payable with respect to such Securities, with interest upon the overdue principal, any premium and, to the extent that payment of such interest shall be legally enforceable, upon any overdue installments of interest and Additional Amounts at the rate or rates borne by or provided for in such Securities, and, in addition thereto, such further amount of money as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel and all other amounts due to the Trustee under Section 6.07.

(b) If the Company fails to pay the money it is required to pay the Trustee pursuant to the preceding paragraph forthwith upon the demand of the Trustee, the Trustee, acting upon an Act of the Holders of Securities of such series or in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the money so due and unpaid, and may prosecute such proceeding to judgment or final decree, and may enforce the same against the Company or any other obligor upon such Securities, and collect the monies adjudged or decreed to be payable in the manner provided by law out of the property of the Company or any other obligor upon such Securities, wherever situated.

(c) If an Event of Default with respect to Securities of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of Securities of such series by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or such Securities or in aid of the exercise of any power granted herein or therein, or to enforce any other proper remedy.

Section 5.04. *Trustee May File Proofs of Claim.* (a) In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Company or any other obligor upon the Securities or the property of the Company or such other obligor or their creditors, the Trustee (irrespective of whether the principal of the Securities shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Company for the payment of any overdue principal, premium, interest or Additional Amounts) shall be entitled and empowered, by intervention in such proceeding or otherwise,

(i) to file and prove a claim for the whole amount, or such lesser amount as may be provided for in the Securities of such series, of the principal and any premium, interest and Additional Amounts owing and unpaid in respect of the Securities and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents or counsel and of the Holders of Securities) allowed in such judicial proceeding, and

(ii) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder of Securities to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders of Securities, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel and any other amounts due the Trustee under Section 6.07.

(b) Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder of a Security any plan of reorganization, arrangement, adjustment or composition affecting the Securities or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder of a Security in any such proceeding.

Section 5.05. *Trustee May Enforce Claims Without Possession of Securities.* All rights of action and claims under this Indenture or any of the Securities may be prosecuted and enforced by the Trustee without the possession of any of the Securities or the production

thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery or judgment, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, shall be for the ratable benefit of each and every Holder of a Security in respect of which such judgment has been recovered.

Section 5.06. *Application of Money Collected.* Any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal, or any premium, interest or Additional Amounts, upon presentation of the Securities and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amounts due to the Trustee and any predecessor Trustee under Section 6.07;

SECOND: To the payment of amounts then due and unpaid to the holders of Company Senior Indebtedness, to the extent required by Article 14;

THIRD: To the payment of the amounts then due and unpaid upon the Securities for principal and any premium, interest and Additional Amounts in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the aggregate amounts due and payable on such Securities for principal and any premium, interest and Additional Amounts, respectively;

FOURTH: The balance, if any, to the Person or Persons entitled thereto.

Section 5.07. *Limitations on Suits.* No Holder of any Security of any series shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless:

(i) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Securities of such series;

(ii) the Holders of not less than 25% in principal amount of the Outstanding Securities of such series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder with respect to such series of Securities and such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(iii) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(iv) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Securities of such series;

it being understood and intended that no one or more of such Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture or any Security to affect, disturb or prejudice the rights of any other such Holders or Holders of Securities of any other series, or to obtain or to seek to obtain priority or preference over any other Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all such Holders.

Section 5.08. *Unconditional Right of Holders to Receive Principal and any Premium, Interest and Additional Amounts.* Except as set forth in the immediately following paragraph, notwithstanding any other provision in this Indenture and in any Security, the Holder of any Security shall have the right, which is absolute and unconditional, to receive payment of the principal of, any premium and (subject to Section 3.07) interest on, and any Additional Amounts with respect to, such Security on or after the respective Stated Maturity or Maturities therefor specified in such Security (or, in the case of redemption, on or after the Redemption Date or, in the case of repayment at the option of such Holder if provided in or pursuant to this Indenture, on or after the date such repayment is due) and to institute suit for the enforcement of any such payment, and such right shall not be impaired or affected without the consent of such Holder, except that Holders of not less than 75% in principal amount of Outstanding Securities of a series may consent by Act, on behalf of the Holders of all Outstanding Securities of such series, to the postponement of the Stated Maturity of any installment of interest for a period not exceeding three years from the original Stated Maturity of such installment (which original Stated Maturity shall have been fixed, for the avoidance of doubt, prior to any previous postponements of such installment).

The Securities of any series may be subject to the exercise of the Spanish Bail-in Power, and no Holder of any Security shall have any claim against the Company in connection with or arising out of any such exercise. No repayment or payment of Amounts Due on

the Securities of any series will become due and payable or be paid after the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority if, and to the extent that, such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

Section 5.09. *Restoration of Rights and Remedies.* If the Trustee or any Holder of a Security has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case the Company, the Trustee and each such Holder shall, subject to any determination in such proceeding, be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of the Trustee and each such Holder shall continue as though no such proceeding had been instituted.

Section 5.10. *Rights and Remedies Cumulative.* Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities in the last paragraph of Section 3.06, no right or remedy herein conferred upon or reserved to the Trustee or to each and every Holder of a Security is intended to be exclusive of any other right or remedy, and every right and remedy, to the extent permitted by law, shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 5.11. *Delay or Omission Not Waiver.* No delay or omission of the Trustee or of any Holder of any Security to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to any Holder of a Security may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by such Holder, as the case may be.

Section 5.12. *Control by Holders of Securities.* The Holders of a majority in principal amount of the Outstanding Securities of the relevant series, by Act, shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to the Securities of such series, *provided* that:

(i) such direction shall not be in conflict with any rule of law or with this Indenture or with the Securities of any series,

(ii) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and

(iii) such direction is not unduly prejudicial to the rights of the other Holders of Securities of such series not joining in such action.

Section 5.13. *Waiver of Past Defaults.* (a) Subject to Section 5.02(b)(i)(D), the Holders of not less than a majority in principal amount of the Outstanding Securities of any series on behalf of the Holders of all the Securities of such series may, by Act, waive any past default hereunder with respect to such series and its consequences, except a default:

(i) in the payment of the principal of or any premium, or interest on, or any Additional Amounts with respect to, any Security of such series, or

(ii) in respect of a covenant or provision hereof which under Article 9 cannot be modified or amended without the consent of the Holder of each Outstanding Security of such series affected.

(b) Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 5.14. *Undertaking for Costs.* In any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, a court may require any party litigant in such suit to file an undertaking to pay the costs of such suit, and may assess reasonable costs against any such party litigant, in the manner and to the extent provided in the Trust Indenture Act; provided that neither this Section nor the Trust Indenture Act shall be deemed to authorize any court to require such an undertaking or to make such an assessment in any suit instituted by the Company.

ARTICLE 6
THE TRUSTEE

Section 6.01. *Certain Duties and Responsibilities.* The duties and responsibilities of the Trustee shall be as specifically set forth in this Indenture and the Trust Indenture Act and no implied covenants nor obligations shall be read into this Indenture against the Trustee, except as otherwise required by the Trust Indenture Act. Whether or not herein or therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section. If a default or Event of Default has occurred or is continuing, the Trustee shall exercise such of the rights and powers vested in it by the Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduit of its own affairs.

Section 6.02. *Certain Rights of Trustee.* Except as set forth in this Article, no provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act or its own willful misconduct.

Subject to Sections 315(a) through 315(d) of the Trust Indenture Act:

(a) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, or other paper or document reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Company Request or a Company Order (in each case, other than delivery of any Security, to the Trustee for authentication and delivery pursuant to Section 3.03 which shall be sufficiently evidenced as provided therein) and any resolution of the Board of Directors of the Company may be sufficiently evidenced by a Board Resolution;

(c) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence shall be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer's Certificate;

(d) the Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(e) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by or pursuant to this Indenture at the request or direction of any of the Holders of Securities of any series pursuant to this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(f) the Trustee shall not be bound to make any investigation or inquiry into (i) the performance of the Company of any of its covenants set forth in this Indenture and (ii) the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine, during business hours and upon reasonable notice, the books, records and premises of the Company, personally or by agent or attorney;

(g) the Trustee shall not be charged with knowledge of the occurrence of any default or an Event of Default, and such knowledge shall not be imparted to the Trustee, unless a Responsible Officer of the Trustee has received written notice of such default or Event of Default from the Company or any Holder of an Outstanding Security of the relevant series and such notice references the specific default or Event of Default under the Securities of such series and this Indenture, and is given in the manner required by Section 1.05 hereof;

(h) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder;

(i) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it;

(j) the rights, privileges, protections, immunities and benefits given to the Trustee pursuant to this Indenture, including, without limitation, the indemnification of the Trustee pursuant to Section 6.07(a)(iii), are extended to, and shall be enforceable by, the Trustee, the Security Registrar, transfer agent, Paying Agent and each other agent, custodian and other Person employed to act hereunder, *provided,* that each such Person shall be deemed to have acknowledged, accepted and agreed to be bound, and will be bound, by Article 15 hereof, on the same terms as the Trustee, with respect to any BRRD Liability of the Company to any such Person;

(k) under no circumstances will the Trustee be liable to the Company for any special, indirect, punitive or consequential loss (being loss of business, goodwill, opportunity or profit) even if advised of the possibility of such loss or damage;

(l) the Trustee may request that the Company deliver an Officer's Certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture;

(m) the permissive rights of the Trustee enumerated herein shall not be construed as duties;

(n) the Trustee will not be liable if prevented or delayed in performing any of its obligations by reason of any present or future law applicable to it, by any governmental or regulatory authority or by any circumstance beyond its control;

(o) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith and reasonably and actually believed by it to be authorized or within the rights or powers conferred upon it pursuant to Section 5.12;

(p) in no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of, or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God; it being understood that the Trustee shall use reasonable best efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances; and

(q) following the occurrence of an Event of Default, the Trustee shall be entitled to require all agents (including the Paying Agent) to act pursuant to its instruction.

Section 6.03. *Notice of Defaults.* Within 90 days after the occurrence of any default hereunder known to the Trustee with respect to the Securities of any series, the Trustee shall transmit by mail to all Holders of Securities of such series entitled to receive reports pursuant to Section 7.03(c), notice of such default hereunder, unless such default shall have been cured or waived; *provided, however,* that except in the case of a default in the payment of the principal of (or premium, if any), or interest, if any, on, or Additional Amounts with respect to, any Security of such series, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors and/or Responsible Officers of the Trustee in good faith determine that the withholding of such notice is in the best interest of the Holders of Securities of such series. For the purpose of this Section, the term "*default*" means any event which is, or after notice or lapse of time or both would become, an Event of Default with respect to Securities of such series.

Section 6.04. *Not Responsible for Recitals or Issuance of Securities.* The recitals contained herein and in the Securities, except the Trustee's certificate of authentication, shall be taken as the statements of the Company and neither the Trustee nor any Authenticating Agent assumes any responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Securities, except that the Trustee represents that it is duly authorized to execute and deliver this Indenture, authenticate the Securities and perform its obligations hereunder and that the statements made by it in a Statement of Eligibility and Qualification on Form T-1 supplied to the Company are true and accurate, subject to the qualifications set forth therein. Neither the Trustee nor any Authenticating Agent shall be accountable for the use or application by the Company of the Securities or the proceeds thereof.

Section 6.05. *May Hold Securities.* The Trustee, any Authenticating Agent, any Paying Agent, any Security Registrar or any other Person that may be an agent of the Trustee or the Company, in its individual or any other capacity, may become the owner or pledgee of Securities and, subject to Sections 310(b) and 311 of the Trust Indenture Act, may otherwise deal with the Company with the same rights it would have if it were not Trustee, Authenticating Agent, Paying Agent, Security Registrar or such other Person.

Section 6.06. *Money Held in Trust.* Except as provided in Section 4.03 and Section 10.03, money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law and shall be held uninvested. The Trustee shall be under no liability for interest on any money received by it hereunder.

Section 6.07. *Compensation and Reimbursement.* (a) The Company agrees:

(i) to pay to the Trustee from time to time reasonable compensation for all services rendered by the Trustee hereunder as agreed between the Company and the Trustee (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(ii) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to the Trustee's negligence or bad faith; and

(iii) to indemnify the Trustee (which for the purposes of this Section 6.07(a)(iii) shall include its officers, directors, employees and agents acting on behalf of the Trustee) for, and to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder, except to the extent that any such loss, liability or expense may be attributable to its negligence or bad faith.

(b) As security for the performance of the obligations of the Company under this Section, the Trustee shall have a lien prior to the Securities of any series upon all property and funds held or collected by the Trustee as such, except funds held in trust for the payment of principal of, and premium or interest on or any Additional Amounts with respect to Securities.

(c) Any compensation or expense incurred by the Trustee after a default specified by Section 5.01 is intended to constitute an expense of administration under any then applicable bankruptcy or insolvency law. "Trustee" for purposes of this Section 6.07 shall include any predecessor Trustee but the negligence or bad faith of any Trustee shall not affect the rights of any other Trustee under this Section 6.07. The provisions of this Section 6.07 shall survive the resignation or removal of the Trustee and the satisfaction, discharge or termination of this Indenture including any termination under any bankruptcy law and (without prejudice to Section 15.02 of this Indenture if, and to the extent applicable, as set out therein) any exercise of the Spanish Bail-in Power with respect to the Securities of any series.

(d) In addition, and without prejudice to the rights provided to the Trustee under any of the provisions of this Indenture, when the Trustee incurs expenses or renders services after an Event of Default specified in Section 5.01(a) hereof occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended, to the extent permitted under applicable law, to constitute expenses of administration under any bankruptcy law.

(e) For the avoidance of doubt, any and all amounts due and owing to the Trustee under this Section 6.07 shall be payable within 6 (six) days of the date on which the Trustee can demand payment hereunder for purposes of this Indenture and for purposes of Article 42(1)(e) and Article 46 of Law 11/2015.

Section 6.08. *Corporate Trustee Required; Eligibility.* There shall at all times be a Trustee hereunder that is a Corporation, organized and doing business under the laws of the United States or of any state or territory or of the District of Columbia (or a corporation or other person permitted to act as Trustee by the Commission), eligible under Sections 310(a)(1), 310(a)(5) and 310(b) of the Trust Indenture Act to act as trustee under an indenture qualified under the Trust Indenture Act and that has a combined capital and surplus (computed in accordance with Section 310(a)(2) of the Trust Indenture Act) of at least $50,000,000 subject to supervision or examination by U.S. federal or state authority. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

Section 6.09. *Resignation and Removal; Appointment of Successor.* (a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee pursuant to Section 6.10.

(b) The Trustee may resign at any time with respect to the Securities of one or more series by giving written notice thereof to the Company. If the instrument of acceptance by a successor Trustee required by Section 6.10 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to such series.

(c) The Trustee may be removed at any time with respect to the Securities of any series by Act of the Holders of a majority in principal amount of Outstanding Securities of such series.

(d) If at any time:

(i) the Trustee shall fail to comply with the obligations imposed upon it under Section 310(b) of the Trust Indenture Act with respect to Securities of any series after written request therefor by the Company or any Holder of a Security of such series who has been a bona fide Holder of a Security of such series for at least six months, or

(ii) the Trustee shall cease to be eligible under Section 6.08 and shall fail to resign after written request therefor by the Company or any such Holder, or

(iii) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (A) the Company, by or pursuant to a Company Order, may remove the Trustee with respect to all Securities or the Securities of such series, or (B) subject to Section 315(e) of the Trust Indenture Act, any Holder of a Security who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Securities of such series and the appointment of a successor Trustee or Trustees with respect to such series of Securities.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, with respect to the Securities of one or more series, the Company, by or pursuant to a Company Order, shall promptly appoint a successor Trustee or Trustees with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any particular series) and shall comply with the applicable requirements of Section 6.10. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Securities of any series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment in accordance with the applicable requirements of Section 6.10, become the successor Trustee with respect to the Securities of such series and to that extent supersede the successor Trustee appointed by the Company. If no successor Trustee with respect to the Securities of any series shall have been so appointed by the Company or the Holders of Securities and accepted appointment in the manner required by Section 6.10, any Holder of a Security who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

(f) The Company shall give notice of each resignation and each removal of the Trustee with respect to the Securities of any series and each appointment of a successor Trustee with respect to the Securities of any series by instructing such successor Trustee to mail written notice of such event by first class mail, postage prepaid, to the Holders of Securities, if any, of such series as their names and addresses appear in the Security Register. Each notice shall include the name of the successor Trustee with respect to the Securities of such series and the address of its Corporate Trust Office.

Section 6.10. *Acceptance of Appointment by Successor.*

(a) Upon the appointment hereunder of any successor Trustee with respect to all Securities, such successor Trustee so appointed shall execute, acknowledge and deliver to the Company and the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties hereunder of the retiring Trustee but, on the request of the Company or such successor Trustee, such retiring Trustee, upon payment of its charges, shall execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and, subject to Section 10.03, shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder, subject nevertheless to its claim, if any, provided for in Section 6.07.

(b) Upon the appointment hereunder of any successor Trustee with respect to the Securities of one or more (but not all) series, the Company, the retiring Trustee and such successor Trustee shall execute and deliver an indenture supplemental hereto wherein each successor Trustee shall accept such appointment and which (i) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, such successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, (ii) if the retiring Trustee is not retiring with respect to all Securities, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (iii) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust, that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee and that no Trustee shall be responsible for any notice given to, or received by, or any act or failure to act on the part of any other Trustee hereunder, and, upon the execution and delivery of such supplemental indenture, the resignation or removal of the retiring Trustee shall become effective to the extent provided therein, such retiring Trustee shall have no further responsibility for the exercise of rights and powers or for the performance of the duties and obligations vested in the Trustee under this Indenture with respect to the Securities of that or those series to which the appointment of such successor Trustee relates other than as hereinafter expressly set forth, and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates; but, on request of the Company or such successor Trustee, such retiring Trustee, upon payment of its charges with respect to the Securities of that or those series to which the appointment of such successor relates and subject to Section 10.03 shall duly assign, transfer and deliver to such successor Trustee, to the extent contemplated by such supplemental indenture, the property and money held by such retiring Trustee hereunder with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, subject to its claim, if any, provided for in Section 6.07.

(c) Upon request of any Person appointed hereunder as a successor Trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in paragraph (a) or (b) of this Section, as the case may be.

(d) No Person shall accept its appointment hereunder as a successor Trustee with respect to the Securities of a series unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

Section 6.11. *Merger, Conversion, Consolidation or Succession to Business.* Any Corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any Corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any Corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such Corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto other than the provision of written notice to the Company. In case any Securities shall have been authenticated but not delivered by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities.

Section 6.12. *Preferential Collection of Claims Against Company*. If and when the Trustee shall be or become a creditor of the Company (or any other obligor upon the Securities), the Trustee shall be subject to the provisions of the Trust Indenture Act regarding the collection of claims against the Company (or any such other obligor).

Section 6.13. *Appointment of Authenticating Agent.* (a) The Trustee may appoint one or more Authenticating Agents acceptable to the Company with respect to one or more series of Securities which shall be authorized to act on behalf of the Trustee to authenticate Securities of that or those series issued upon original issue, exchange, registration of transfer, partial redemption or pursuant to Section 3.06, and Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Wherever reference is made in this Indenture to the authentication and delivery of Securities by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Notwithstanding any other provision of this Indenture, the Securities shall be issued and authenticated in New York.

(b) Each Authenticating Agent shall be acceptable to the Company and, except as provided in or pursuant to this Indenture, shall at all times be a corporation that would be permitted by the Trust Indenture Act to act as trustee under an indenture qualified under the Trust Indenture Act, is authorized under applicable law and by its charter to act as an Authenticating Agent and has a combined capital and surplus (computed in accordance with Section 310(a)(2) of the Trust Indenture Act) of at least $50,000,000. If at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect specified in this Section.

(c) Any Corporation into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any Corporation resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any Corporation succeeding to the corporate agency, corporate trust or business of an Authenticating Agent, shall be the successor of such Authenticating Agent hereunder, *provided* such Corporation shall be otherwise eligible under this Section, without the execution or filing of any paper or any further act on the part of the Trustee or the Authenticating Agent.

(d) An Authenticating Agent may resign at any time by giving written notice thereof to the Trustee and the Company. The Trustee may at any time terminate the agency of an Authenticating Agent by giving written notice thereof to such Authenticating Agent and the Company.

Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, the Trustee may appoint a successor Authenticating Agent which shall be acceptable to the Company and shall mail written notice of such appointment by first-class mail, postage prepaid, to all Holders of Securities, if any, of the series with respect to which such Authenticating Agent shall serve, as their names and addresses appear in the Security Register. Any successor Authenticating Agent, upon acceptance of its appointment hereunder, shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section.

(e) The Company agrees to pay each Authenticating Agent from time to time reasonable compensation for its services under this Section.

(f) The provisions of Sections 3.08, 6.04 and 6.05 shall be applicable to each Authenticating Agent.

(g) If an Authenticating Agent is appointed with respect to one or more series of Securities pursuant to this Section, the Securities of such series may have endorsed thereon, in addition to or in lieu of the Trustee's certificate of authentication, an alternate certificate of authentication in the following form:

This is one of the Securities of the series designated herein referred to in the within-mentioned Indenture.

The Bank of New York Mellon, as Trustee

By: _____
As Authenticating Agent

By: _____
Authorized Signatory

If all of the Securities of any series may not be originally issued at one time, and if the Trustee does not have an office capable of authenticating Securities upon original issuance located in a Place of Payment where the Company wishes to have Securities of such series authenticated upon original issuance, the Trustee, if so requested in writing (which writing need not be accompanied by or contained in an Officer's Certificate by the Company), shall appoint in accordance with this Section an Authenticating Agent having an office in a Place of Payment designated by the Company with respect to such series of Securities.

Section 6.14. *Disqualification; Conflicting Interests.* If the Trustee has or shall acquire a conflicting interest within the meaning of the Trust Indenture Act, the Trustee shall either eliminate such interest or resign, to the extent and in the manner provided by, and subject to the provisions of, the Trust Indenture Act and this Indenture. To the extent permitted by the Trust Indenture Act the Trustee shall not be deemed to have a conflicting interest by virtue of being a trustee under this Indenture with respect to Securities of more than one series.

Section 6.15 *Tax Compliance*. In order to enable the Trustee and the Paying Agent to comply with applicable tax laws (inclusive of rules, regulations and interpretations promulgated by competent authorities) in effect from time to time, including, without limitation FATCA (as defined herein) ("**Applicable Tax Law**") that the Company, Trustee or Paying Agent is subject to, the Company agrees (i) to cooperate in good faith with the Trustee and the Paying Agent by providing information, to the extent within the Company's possession, and to the extent permitted by applicable law, about the parties and/or Securities (including any modification to the terms of such Securities) that is reasonably necessary for such entity to determine whether it has tax related obligations under Applicable Tax Law and (ii) that the Trustee and each Paying Agent shall be entitled to make any withholding or deduction from payments to the extent necessary to comply with Applicable Tax Law. For the avoidance of doubt, neither the Trustee nor any Paying Agent shall have any obligation to gross up any payment hereunder or pay any additional amount or otherwise indemnify a Holder as a result of such withholding tax. The terms of this section shall survive the termination of this Indenture or the resignation or removal of the Trustee or any Paying Agent.

ARTICLE 7
HOLDER'S LISTS AND REPORTS BY TRUSTEE AND COMPANY

Section 7.01. *Company to Furnish Trustee Names and Addresses of Holders.* In accordance with Section 312(a) of the Trust Indenture Act, the Company shall for so long as any Securities of any series are Outstanding furnish or cause to be furnished to the Trustee:

(a) semi-annually with respect to such Securities upon such dates as are set forth in or pursuant to the Board Resolution or indenture supplemental hereto authorizing such series, a list, in each case in such form as the Trustee may reasonably require, of the names and addresses of Holders as of the applicable date, and

(b) at such other times as the Trustee may request in writing, within 30 days after the receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished.

Notwithstanding the foregoing, the Company need not furnish or cause to be furnished to the Trustee pursuant to this Section 7.01 the names and addresses of Holders of Securities with respect to which the Trustee is the Security Registrar.

Section 7.02. *Preservation of Information; Communications to Holders.* (a) The Trustee shall comply with the obligations imposed upon it pursuant to Section 312 of the Trust Indenture Act.

(b) Every Holder of Securities, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company, the Trustee, any Paying Agent or any Security Registrar shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the Holders of Securities in accordance with Section 312(c) of the Trust Indenture Act, regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under Section 312(b) of the Trust Indenture Act.

Section 7.03. *Reports by Trustee.* (a) Within 60 days after May 15 of each year commencing with the first May 15 following the first issuance of Securities pursuant to Section 3.01, if required by Section 313(a) of the Trust Indenture Act, the Trustee shall transmit, pursuant to Section 313(c) of the Trust Indenture Act, a brief report dated as of such May 15 with respect to any of the events specified in said Section 313(a) which may have occurred since the later of the immediately preceding May 15 and the date of this Indenture.

(b) The Trustee shall transmit the reports required by Section 313(b) of the Trust Indenture Act at the times specified therein.

(c) Reports pursuant to this Section shall be transmitted in the manner and to the Persons required by Sections 313(c) and 313(d) of the Trust Indenture Act.

Section 7.04. *Reports by Company.* The Company, pursuant to Section 314(a) of the Trust Indenture Act, shall for so long as any Securities of any series are Outstanding:

(a) file with the Trustee, within 15 days after the Company files the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Company may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934;

(b) file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional information, documents and reports with respect to compliance by the Company, with the conditions and covenants of this Indenture as may be required from time to time by such rules and regulations; and

(c) transmit within 30 days after the filing thereof with the Trustee, in the manner and to the extent provided in Section 313(c) of the Trust Indenture Act, such summaries of any information, documents and reports required to be filed by the Company pursuant to paragraphs (a) and (b) of this Section as may be required by rules and regulations prescribed from time to time by the Commission.

Delivery of reports, information and documents to the Trustee pursuant to this Section is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein, including compliance by the Company with any of its covenants hereunder, as to which the Trustee is entitled to rely exclusively on Officer's Certificates.

ARTICLE 8
CONSOLIDATION, MERGER AND SALES; ASSUMPTION

Section 8.01. *Company May Consolidate, etc.* Nothing contained in this Indenture or in any of the Securities shall prevent any consolidation, amalgamation or merger of the Company with or into any other Person or Persons (whether or not affiliated with the Company), or successive consolidations, amalgamations or mergers in which the Company or the successor or successors of the Company shall be a party or parties, or shall prevent any sale, conveyance or lease of the property of the Company as an entirety or substantially as an entirety, to any other Person (whether or not affiliated with the Company); *provided that* the Person formed by or into which the Company is consolidated, amalgamated or merged shall assume the due and punctual payment of the principal of (and premium, if any), interest and Additional Amounts, if any, on all Securities in accordance with the provisions of such Securities and this Indenture, and the performance of every covenant of this Indenture on the part of the Company to be performed or observed.

Section 8.02. *Successor Person Substituted.* In the event of any merger, consolidation, sale, conveyance or lease permitted by Section 8.01 above or any assumption of obligations permitted by Section 8.03, Additional Amounts under the Securities will thereafter be payable in respect of taxes imposed by the acquiring Person's, or the resulting Person's, or the successor Person's, jurisdiction of incorporation or tax residence (subject to exceptions equivalent to those that apply to the obligation to pay Additional Amounts pursuant to Section 10.04 in respect of taxes imposed by the laws of the Kingdom of Spain) rather than taxes imposed by the Kingdom of Spain. Additional Amounts with respect to payments of interest or principal due prior to the date of such merger, consolidation, sale, conveyance or lease will be payable only in respect of taxes imposed by the Kingdom of Spain. The acquiring, resulting or successor Person, as the case may be, will also be entitled to redeem the Securities in the circumstances described in Section 11.08(a) with respect to any change or amendment to, or change in the application or official interpretation of the laws or regulations of such Person's jurisdiction of incorporation or tax residence, which change or amendment must occur subsequent to the date of any merger, consolidation, sale, conveyance or lease permitted by Section 8.01 or the assumption of obligations permitted by Section 8.03, as the case may be, if the successor entity is not incorporated or tax resident in the Kingdom of Spain. In the event of assumption of the Company's obligations in connection with a merger, consolidation, sale, conveyance or lease of substantially all of its assets, the Company shall be released from all obligations and covenants under this Indenture or the Securities, as the case may be.

Section 8.03. *Assumption of Obligations*. With respect to the Securities of any series, unless otherwise specified in accordance with Section 3.01, any holding company of the Company or any wholly-owned subsidiary of the Company (a "**successor entity**") may without the consent of any Holder assume the obligations of the Company (or any Person which shall have previously assumed the obligations of the Company) for the due and punctual payment of the principal, interest, Additional Amounts, premium (if any) and sinking fund payments (if any) on any series of Securities in accordance with the provisions of such Securities and this Indenture and the performance of every covenant of this Indenture and such series of Securities on the part of the Company to be performed or observed, provided that:

(a) the successor entity shall expressly assume such obligations by an amendment to this Indenture, executed by the Company and such successor entity, if applicable, and delivered to the Trustee, in a form satisfactory to the Trustee;

(b) immediately after giving effect to such assumption of obligations, no Event of Default and no event which, after notice or lapse of time or both, would become an Event of Default, shall have occurred and be continuing;

(c) the Company shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such assumption complies with this Article and that all conditions precedent herein provided for relating to such assumption have been complied with; and

(d) immediately prior to such assumption, the successor entity shall have ratings for long-term subordinated debt assigned by Standard & Poor's Ratings Services or Moody's Investors Service, Inc. (or their respective successors) which are the same as, or higher than, the credit rating for long-term subordinated debt of the Company (or, if applicable, the previous successor entity) assigned by Standard & Poor's Ratings Services or Moody's Investors Service, Inc. (or their respective successors).

Upon any such assumption, the successor entity shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with respect to any such Securities with the same effect as if such successor entity had been named as the Company in this Indenture, and the Company or any legal and valid successor Person which shall theretofore have become such in the manner prescribed herein, shall be released from all liability as obligor upon any such Securities except as provided in clause (a) of this Section 8.03.

ARTICLE 9
SUPPLEMENTAL INDENTURES

Section 9.01. *Supplemental Indentures Without Consent of Holders.* Without the consent of any Holders of a series of Securities, the Company and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any of the following purposes:

(a) to evidence the succession of another Person to the Company, and the assumption by any such successor of the covenants of the Company herein and in the Securities; or

(b) to add to the covenants of the Company for the benefit of the Holders of all or any series of Securities (as shall be specified in such supplemental indenture or indentures) or to surrender any right or power herein conferred upon the Company; or

(c) to establish the form or terms of Securities of any series as permitted by Sections 2.01 and 3.01; or

(d) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more series and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Section 6.10; or

(e) to cure any ambiguity or to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Indenture which shall not adversely affect the interests of the Holders of Securities of any series in any material respect; or

(f) to add to, delete from or revise the conditions, limitations and restrictions on the authorized amount, terms or purposes of issue, authentication and delivery of Securities, as herein set forth; or

(g) to supplement any of the provisions of this Indenture to such extent as shall be necessary to permit or facilitate the defeasance and discharge of any series of Securities pursuant to Article 4; *provided* that any such action shall not adversely affect the interests of any Holder of a Security of such series or any other Security in any material respect; or

(h) to add any additional Events of Default for the benefit of the Holders of all or any series of Securities; or

(i) to secure the Securities; or

(j) to delete, amend or supplement any provision contained herein or in any supplemental indenture, *provided* that no such amendment or supplement shall materially adversely affect the interests of the Holders of any Securities then Outstanding; or

(k) to delete, amend or supplement any provision contained herein or in any supplemental indenture as a result of, and to the extent required by, the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority.

Section 9.02. *Supplemental Indentures with Consent of Holders.* (a) With the consent, as evidenced in an Act or Acts, as the case may be, of the Holders of not less than a majority in principal amount of the Outstanding Securities of each such series affected by such supplemental indenture voting as a class, the Company and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Holders of Securities of such series under this Indenture and of waiving future compliance with respect to the Indenture; *provided, however,* that no such supplemental indenture, without the consent of the Holder of each Outstanding Security affected thereby, shall

(i) change the Stated Maturity of the principal of, or any premium or installment of interest on or any Additional Amounts with respect to, any Security, or reduce the principal amount thereof or the rate of interest thereon (except that Holders of not less than 75% in principal amount of Outstanding Securities of a series may consent by Act, on behalf of the Holders of all of the Outstanding Securities of such series, to the postponement of the Stated Maturity of any installment of interest for a period not exceeding three years from the original Stated Maturity of such installment (which original Stated Maturity shall have been fixed, for the avoidance of doubt, prior to any previous postponements of such installment)) or any Additional Amounts with respect thereto, or any premium payable upon the redemption thereof or otherwise, or change the obligation of the Company to pay Additional Amounts pursuant to Section 10.04 (except as contemplated by Section 3.07 and permitted by Section 9.01(a)), or reduce the amount of the principal of an Original Issue Discount Security that would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 5.02 or the amount thereof provable in bankruptcy pursuant to Section 5.04, or change the redemption provisions, or change the Place of Payment, Currency in which the principal of, any premium or interest on, or any Additional Amounts with respect to any Security is payable, or impair the right to institute suit for the enforcement of any such payment on or with respect to any Security on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date or, in the case of repayment at the option of the Holder, on or after the date for repayment), or

(ii) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture, or reduce the requirements for a quorum or voting, or

(iii) modify any of the provisions of the Indenture relating to the subordination of the Securities in a manner adverse to Holders of Securities, or

(iv) modify any of the provisions of this Section or Section 5.13, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Security affected thereby, or

(v) change in any manner adverse to the interests of the Holders of Outstanding Securities of any series the terms and conditions of the obligations of the Company in respect of the due and punctual payment of the principal thereof (and premium, if any) and interest, if any, thereon or any sinking fund payments, if any, provided for in respect thereof,

except in each case with respect to any modification or amendment of the Indenture pursuant to a supplemental indenture which is entered into as a result of, and to the extent required by, the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority (in which case neither the consent nor the affirmative vote of any Holder of an Outstanding Security affected shall be required).

(b) A supplemental indenture which changes or eliminates any covenant or other provision of this Indenture which shall have been included expressly and solely for the benefit of one or more particular series of Securities, or which modifies the rights of the Holders of Securities of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the Holders of Securities of any other series.

(c) It shall not be necessary for any Act of Holders of Securities under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

Section 9.03. *Execution of Supplemental Indentures.* As a condition to executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trust created by this Indenture, the Trustee shall be entitled to receive, in addition to the documents required by Section 1.02, and (subject to Section 315 of the Trust Indenture Act)

shall be fully protected in relying upon, an Opinion of Counsel and Officer's Certificate, each stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Section 9.04. *Effect of Supplemental Indentures.* Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith and such supplemental indenture shall form a part of this Indenture for all purposes and every Holder of a Security of a series affected thereby theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

Section 9.05. *Reference in Securities to Supplemental Indentures.* Securities of any series authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Securities of any series so modified as to conform, in the opinion of the Trustee and the Company, to any such supplemental indenture may be prepared and executed by the Company and such Securities may be authenticated and delivered by the Trustee in exchange for outstanding Securities of such series.

Section 9.06. *Effect on Company Senior Indebtedness.* No supplemental indenture shall directly or indirectly modify, terminate or impair the subordination of the Securities as provided herein to Company Senior Indebtedness without the prior written consent of each of the holders of Company Senior Indebtedness then outstanding that would be adversely affected thereby.

Section 9.07. *Conformity with Trust Indenture Act.* Every supplemental indenture executed pursuant to this Article shall conform to the requirements of the Trust Indenture Act as then in effect.

ARTICLE 10
COVENANTS

Section 10.01. *Payment of Principal and Any Premium, Interest and Additional Amounts.* The Company covenants and agrees for the benefit of the Holders of the Securities of each series that it will duly and punctually pay the principal of, any premium and interest on and any Additional Amounts with respect to, the Securities of such series in accordance with, and except as provided in, the terms thereof and this Indenture.

Section 10.02. *Maintenance of Office or Agency.* The Company shall maintain in each Place of Payment for any series of Securities an Office or Agency where Securities of such series may be presented or surrendered for payment, where Securities of such series may be surrendered for registration of transfer or exchange, and where notices and demands to or upon the Company in respect of the Securities of such series relating thereto and this Indenture may be served.

The Company may also from time to time designate one or more other Offices or Agencies where the Securities of one or more series may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided, however,* that no such designation or rescission shall in any manner relieve the Company of their obligation to maintain an Office or Agency in each Place of Payment for Securities of any series for such purposes. The Company shall give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other Office or Agency. The Company hereby designates as the Place of Payment for each series the Borough of Manhattan, The City of New York, and initially appoints The Bank of New York Mellon, located at 101 Barclay Street, New York, NY 10286, United States for such purpose. Pursuant to Section 3.01(h), the Company may subsequently appoint a place or places in the Borough of Manhattan, The City of New York where such Securities may be payable. The Company initially appoints The Bank of New York Mellon, acting through its London Branch, as Paying Agent and transfer agent and The Bank of New York Mellon, acting through its Corporate Trust Office, as the Security Registrar.

Unless otherwise specified with respect to any Securities pursuant to Section 3.01, if and so long as the Securities of any series (i) are denominated in a Foreign Currency or (ii) may be payable in a Foreign Currency, or so long as it is required under any other provision of this Indenture, then the Company will maintain with respect to each such series of Securities, or as so required, at least one exchange rate agent.

Section 10.03. *Money for Securities Payments to be Held in Trust.* If the Company shall at any time act as the Company's Paying Agent with respect to any series of Securities, it shall, on or before each due date of the principal of, any premium or interest on or Additional Amounts with respect to, any of the Securities of such series, segregate and hold in trust for the benefit of the Persons

entitled thereto a sum in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 3.01 for the Securities of such series) sufficient to pay the principal or any premium, interest or Additional Amounts so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided, and shall promptly notify the Trustee of its action or failure so to act.

Whenever the Company shall have one or more Paying Agents for any series of Securities, it shall, on or prior to each due date of the principal of, any premium or interest on or any Additional Amounts with respect to, any Securities of such series, deposit with any Paying Agent a sum (in the currency or currencies, currency unit or units or composite currency or currencies described in the preceding paragraph) sufficient to pay the principal or any premium, interest or Additional Amounts so becoming due, such sum to be held in trust for the benefit of the Persons entitled thereto, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of its action or failure so to act.

The Company shall cause each Paying Agent for any series of Securities (unless such Paying Agent is the Trustee) to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent shall:

(i) hold all sums held by it for the payment of the principal of, any premium or interest on or any Additional Amounts with respect to, Securities of such series in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as provided in or pursuant to this Indenture;

(ii) give the Trustee notice of any default by the Company (or any other obligor upon the Securities of such series) in the making of any payment of principal, any premium or interest on or any Additional Amounts with respect to the Securities of such series; and

(iii) at any time during the continuance of any such default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent.

The Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Company Order direct any Paying Agent to pay, to the Trustee all sums held in trust by the Company or such Paying Agent, such sums to be held by the Trustee upon the same terms as those upon which such sums were held by the Company or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such sums.

Except as otherwise provided herein or pursuant hereto, any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of, any premium or interest on or any Additional Amounts with respect to, any Security of any series and remaining unclaimed at the end of two years after such payment of principal or any such premium or interest or any such Additional Amounts has been made shall be repaid to the Company, on Company Request, or (if then held by the Company) shall be discharged from such trust; and the Holder of such Security shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in a newspaper published in the English language, customarily published on each Business Day and of general circulation in the Borough of Manhattan, The City of New York, New York, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 10.04. *Additional Amounts.* The provisions of this Section 10.04 shall be applicable to the Securities of each series except as specifically deleted or modified in or pursuant to the supplemental indenture or Board Resolution creating such series of Securities or in the Officer's Certificate for such series of Securities. Except as otherwise provided herein, the Company hereby further agrees that any amounts to be paid by the Company with respect to each Security shall be paid without deduction or withholding for or on account of any and all present or future taxes or duties of whatever nature ("**Taxes**") unless such withholding or deduction is required by law. In the event any such withholding or deduction is imposed or levied by or on behalf of the Kingdom of Spain or any political subdivision or authority thereof or therein having the power to tax, the Company will pay to the Holder such Additional Amounts in respect of principal, premium, if any, interest, if any, and sinking fund payments, if any, as may be necessary in order that the net amount received by the Holder of such Security under this Indenture, after such deduction or withholding, shall equal the respective amounts of principal, premium, if any, interest, if any, and sinking fund payments, if any, as specified in the Security to which such Holder or the Trustee would be entitled if no such deduction or withholding had been made; *provided, however,* that the foregoing obligation to pay Additional Amounts will not apply:

(a) to, or to a third party on behalf of, a Holder who is liable for such Taxes by reason of such Holder (or the beneficial owner of the Security for whose benefit such Holder holds such Security) having some connection with the Kingdom of Spain other than the mere holding of the Security (or such beneficial interest) or the mere crediting of the Security to its securities account with the relevant Depository;

(b) in the case of a Security presented for payment (where presentation is required) more than 30 days after the Relevant Date (as defined below) except to the extent that the Holder would have been entitled to Additional Amounts on presenting the same for payment on such thirtieth day assuming that day to have been a business day in such place of presentment;

(c) in respect of any tax, assessment or other governmental charge that would not have been imposed but for the failure by the Holder or beneficial owner of the Security to comply with certification, information or other reporting requirements concerning the nationality, residence or identity of the Holder or beneficial owner of that Security, if compliance is required by statute or by regulation of Spain or of any political subdivision or taxing authority thereof or therein as a precondition to reduction of or relief or exemption from the tax, assessment or other governmental charge;

(d) in respect of any Security presented for payment (where presentation is required) by or on behalf of a Holder who would be able to avoid such withholding or deduction by presenting the relevant Security to another Paying Agent; or

(e) in the event that the Securities are redeemed pursuant to Section 11.08(b) hereof.

Additional Amounts will also not be paid with respect to any payment on any Security to any Holder who is a fiduciary, partnership, limited liability company or Person other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of the Kingdom of Spain (or any political subdivision thereof) to be included in the income, for Spanish tax purposes, of a beneficiary or settlor with respect to such fiduciary, member of such partnership, interest holder in that limited liability company or beneficial owner who would not have been entitled to such Additional Amounts had it been a Holder of such Security.

No Additional Amounts will be paid by the Company or any paying agent on account of any deduction or withholding from a payment on, or in respect of, the Securities where such deduction or withholding is imposed pursuant to any agreement with the U.S. Internal Revenue Service in connection with Sections 1471-1474 of the U.S. Internal Revenue Code and the U.S. Treasury regulations thereunder ("**FATCA**"), any intergovernmental agreement between the United States and Spain or any other jurisdiction with respect to FATCA, or any law, regulation or other official guidance enacted in any jurisdiction implementing, or relating to, FATCA or any intergovernmental agreement.

For the purposes of (b) above, the "**Relevant Date**" means, in respect of any payment, the date on which any payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the Paying Agent on or prior to such due date, it means the first date on which the full amount of such moneys having been so received and being available for payment to Holders, notice to that effect shall have been duly given to the Holders in accordance with this Indenture.

Whenever in this Indenture there is mentioned, in any context, the payment of the principal of or any premium or interest on, or in respect of, any Security of any series, such mention shall be deemed to include mention of the payment of Additional Amounts provided by the terms of such series established hereby or pursuant hereto to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to such terms, and express mention of the payment of Additional Amounts (if applicable) in any provision hereof shall not be construed as excluding Additional Amounts in those provisions hereof where such express mention is not made.

Section 10.05. *Statement by Officers as to Default.* For so long as any Securities of any series are Outstanding, the Company will deliver to the Trustee, within 120 days after the end of its fiscal years ending after the date hereof, a brief certificate, complying with Section 314(e) of the Trust Indenture Act, from the principal executive, financial or accounting officer of the Company, stating

whether or not to the best knowledge of the signer or signers thereof the Company is in default in the performance and observance of any of the terms, provisions, covenants or conditions of this Indenture (such compliance to be determined without regard to any period of grace or requirement of notice provided hereunder).

Section 10.06. *Corporate Existence.* Subject to Article 8, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence; *provided, however,* that the foregoing shall not obligate the Company to preserve any such right or franchise if the Company shall determine that the preservation thereof is no longer desirable in the conduct of its business and that the loss thereof is not disadvantageous in any material respect to any Holder.

Section 10.07. *Waiver of Certain Covenants.* Except as otherwise specified as contemplated by Section 3.01 for Securities of such series, the Company may, with respect to the Securities of any series, omit in any particular instance to comply with any term, provision or condition set forth in any covenant provided pursuant to Section 9.01(b) or Section 9.01(c) for the benefit of the Holders of Securities of such series or any term, provision or condition set forth in an indenture supplemental hereto, if before the time for such compliance the Holders of at least a majority in principal amount of the Outstanding Securities of such series shall, by Act of such Holders, either waive such compliance in such instance or generally waive compliance with such term, provision or condition, but no such waiver shall extend to or affect such term, provision or condition except to the extent so expressly waived, and, until such waiver shall become effective, the obligations of the Company and the duties of the Trustee in respect of any such term, provision or condition shall remain in full force and effect.

ARTICLE 11
REDEMPTION OF SECURITIES

Section 11.01. *Applicability of Article.* Redemption of Securities of any series at the option of the Company as permitted or required by the terms of such Securities shall be made in accordance with the terms of such Securities and (except as otherwise provided herein or pursuant hereto) this Article.

Section 11.02. *Election to Redeem; Notice to Trustee.* The election of the Company to redeem any Securities shall be evidenced by a Board Resolution or approved by a person authorized to make such election pursuant to a Board Resolution. In case of any redemption at the election of the Company of (a) less than all of the Securities of any series or (b) all of the Securities of any series, with the same interest rate, Stated Maturity and other terms, the Company shall, at least 30 days prior to the Redemption Date fixed by the Company (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date and of the principal amount (or in the case of Original Issue Discount Security, the original issue amount) of Securities of such series to be redeemed. In the case of any redemption of Securities prior to the expiration of any restrictions on redemption provided in the terms of such Securities or elsewhere in this Indenture, the Company shall furnish the Trustee with an Officer's Certificate evidencing compliance with such restriction.

Section 11.03. *Selection by Trustee of Securities to be Redeemed.* If less than all of the Securities of any series with the same interest rate, Stated Maturity and other terms are to be redeemed, the particular Securities to be redeemed shall be selected not more than 45 days prior to the Redemption Date by the Trustee from the Outstanding Securities of such series not previously called for redemption, by lot and may provide for the selection for redemption of portions of the principal amount (or in the case of an Original Issue Discount Security, the original issue amount) of Securities of such series; *provided, however,* that no such partial redemption shall reduce the portion of the principal amount (or in the case of an Original Issue Discount Security, the original issue amount) of a Security of such series not redeemed to less than the minimum denomination for a Security of such series established herein or pursuant hereto.

The Trustee shall promptly notify the Company and the Security Registrar (if other than itself) in writing of the Securities selected for redemption and, in the case of any Securities selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Securities redeemed or to be redeemed only in part, to the portion of the principal of such Securities which has been or is to be redeemed.

Section 11.04. *Notice of Redemption.* Notice of redemption shall be given in the manner provided in Section 1.06, not less than 30 nor more than 60 days prior to the Redemption Date, unless a shorter period is specified in the Securities to be redeemed, to the Holders of Securities to be redeemed. Failure to give notice by mailing in the manner herein provided to the Holder of any Securities designated for redemption as a whole or in part, or any defect in the notice to any such Holder, shall not affect the validity of the proceedings for the redemption of any other Securities or portion thereof.

Any notice that is mailed to the Holder of any Securities in the manner herein provided shall be conclusively presumed to have been duly given, whether or not such Holder receives the notice.

All notices of redemption shall state:

(i) the Redemption Date,

(ii) the Redemption Price,

(iii) if less than all Outstanding Securities of any series are to be redeemed, the identification (and, in the case of partial redemption, the principal amount (or in the case of an Original Issue Discount Security, the original issue amount)) of the particular Security or Securities to be redeemed,

(iv) in case any Security is to be redeemed in part only, the notice which relates to such Security shall state that on and after the Redemption Date, upon surrender of such Security, the Holder of such Security will receive, without charge, a new Security or Securities of authorized denominations for the principal amount thereof remaining unredeemed,

(v) that, on the Redemption Date, the Redemption Price shall become due and payable upon each such Security or portion thereof to be redeemed, and, if applicable, that interest thereon shall cease to accrue on and after said date,

(vi) the place or places where such Securities maturing after the Redemption Date, are to be surrendered for payment of the Redemption Price and any accrued interest and Additional Amounts pertaining thereto,

(vii) that the redemption is for a sinking fund, if such is the case, and

(viii) the CUSIP number or the Euroclear Bank. S.A./N.V. and Clearstream Banking, *société anonyme*, reference number of such Securities, if any (or any other numbers used by a Depository to identify such Securities).

Except as otherwise provided herein, notice of redemption published as contemplated by Section 1.06 need not identify particular Securities to be redeemed.

Notice of redemption of Securities to be redeemed at the election of the Company shall be given by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company.

If the Company or the Holders have elected to redeem the Securities of any series but prior to the deposit, with the Trustee or with a Paying Agent as the case may be, of the Redemption Price with respect to such redemption the Relevant Spanish Resolution Authority exercises its Spanish Bail-in Power with respect to such series of Securities, the relevant redemption notice shall be automatically rescinded and shall be of no force and effect, and no payment of the Redemption Price (and any accrued interest and Additional Amounts payable under this Article 11) will be due and payable.

Section 11.05. *Deposit of Redemption Price.* On any Redemption Date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 10.03) an amount of money sufficient to pay the Redemption Price of, and (except if the Redemption Date shall be an Interest Payment Date) any accrued interest on and Additional Amounts with respect thereto, all the Securities or portions thereof which are to be redeemed on that date.

Section 11.06. *Securities Payable on Redemption Date.* Notice of redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Company shall default in the payment of the Redemption Price and accrued interest) such Securities shall cease to bear interest. Upon surrender of any such Security for redemption in accordance with said notice, maturing after the Redemption Date, such Security shall be paid by the Company at the Redemption Price, together with any accrued interest and Additional Amounts to the Redemption Date; *provided, however,* that installments of interest on Securities whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the Regular Record Dates therefor according to their terms and the provisions of Section 3.07.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal and any premium, until paid, shall bear interest from the Redemption Date at the rate prescribed therefor in the Security.

Section 11.07. *Securities Redeemed in Part.* Any Security which is to be redeemed only in part shall be surrendered at any Office or Agency for such Security (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such Security without service charge, a new Security or Securities of the same series, containing identical terms and provisions, of any authorized denomination as requested by such Holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered. If a Global Security is so surrendered, the Company shall execute and the Trustee shall authenticate and deliver to the U.S. Depository or other Depository for such Global Security as shall be specified in the Company Order with respect thereto to the Trustee, without service charge, a new Global Security in a denomination equal to and in exchange for the unredeemed portion of the principal of the Global Security so surrendered.

Section 11.08. *Redemption for Taxation or Listing Reasons.* (a) Unless otherwise provided in the Securities of any series, all (but not less than all) of the Securities of any series may be redeemed in accordance with the terms of this Article 11 at the option of the Company, subject to the prior approval of the relevant authority (which under current Spanish bank regulations may not be sought prior to the fifth anniversary of the issuance of such series of Securities) if, as the result of any change in or any amendment to the laws or regulations of the Kingdom of Spain (including any treaty to which Spain is a party) or any political subdivision or any authority or agency thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change, amendment, application or interpretation becomes effective on or after the date of the applicable prospectus supplement relating to such series, either (i) the Company would become obligated to pay Additional Amounts in making any payments under the Securities with respect thereto as a result of any taxes, levies, imposts or other governmental charges imposed (whether by way of withholding or deduction or otherwise) by or for the account of the Kingdom of Spain or any political subdivision or authority thereof or therein having the power to tax, or (ii) the Company would not be entitled to claim a deduction in computing tax liabilities in Spain in respect of any interest to be paid on the next Interest Payment Date on such series of Securities or the value of such deduction to the Company would be materially reduced; *provided that*, in the case of (i) above, no such notice to the Trustee of the redemption shall be given earlier than 60 days prior to the earliest date on which the Company would be obligated to deduct or withhold tax or pay such Additional Amounts were a payment in respect of the Securities then due.

Prior to any notice of redemption of such Securities pursuant to Section 11.04, the Company shall provide the Trustee with (i) an Officer's Certificate of the Company stating that the Company is entitled to effect such redemption and setting forth in reasonable detail a statement of circumstances showing that the conditions precedent to the right of the Company to redeem such Securities pursuant to this Section have been satisfied; (ii) an Opinion of Counsel to the effect that any of the circumstances referred to in the preceding paragraph prevail; and (iii) where applicable, a copy of the communication received from the relevant authority in relation to the consent to such redemption or an Officer's Certificate of the Company stating that the Company has obtained such consent.

(b) Unless otherwise provided in the Securities of any series, if the Securities of a series are not listed on an organized market in an OECD country by the date that is 45 days prior to the applicable first Interest Payment Date on the Securities of such series, the Company may, at its option and having given no less than 15 days' notice (ending on a day which is no later than the Business Day immediately preceding such first Interest Payment Date) to the Holders of Securities of such series of Securities in accordance with Section 11.04 (which notice will be irrevocable), redeem all of the outstanding Securities of such series at the Redemption Price; provided that from and including the issue date of such Securities to and including such Interest Payment Date, the Company will use its reasonable efforts to obtain or maintain such listing, as applicable.

ARTICLE 12
SINKING FUNDS

Section 12.01. *Applicability of Article.* The provisions of this Article shall be applicable to any sinking fund for the retirement of Securities of a series, except as otherwise permitted or required by any form of Security of such series issued pursuant to this Indenture. Any sinking fund issuances must be made in accordance with the applicable regulations as in effect from time to time.

The minimum amount of any sinking fund payment provided for by the terms of Securities of any series is herein referred to as a "mandatory sinking fund payment", and any payment in excess of such minimum amount provided for by the terms of Securities of such series is herein referred to as an "optional sinking fund payment". If provided for by the terms of Securities of any series, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 12.02. Each sinking fund payment shall be applied to the redemption of Securities of any series as provided for by the terms of Securities of such series.

Section 12.02. *Satisfaction of Sinking Fund Payments with Securities.* The Company may, in satisfaction of all or any part of any sinking fund payment with respect to the Securities of any series to be made pursuant to the terms of such Securities (a) deliver to the Trustee for cancellation Outstanding Securities of such series (other than any of such Securities previously called for redemption or any of such Securities in respect of which cash shall have been released to the Company) and (b) apply as a credit Securities of such series which have been redeemed either at the election of the Company pursuant to the terms of such series of Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, *provided* that such series of Securities have not been previously so credited. Such Securities shall be received and credited for such purpose by the Trustee at the face amount specified in such Securities for redemption through operation of the sinking fund and the amount of such sinking fund payment shall be reduced accordingly. If as a result of the delivery or credit of Securities of any series in lieu of cash payments pursuant to this Section 12.02, the principal amount of Securities of such series to be redeemed in order to exhaust the aforesaid cash payment shall be less than $100,000, the Trustee need not call Securities of such series for redemption, except upon Company Request, and such cash payment shall be held by the Trustee or a Paying Agent and applied to the next succeeding sinking fund payment, *provided, however,* that the Trustee or such Paying Agent shall at the request of the Company from time to time pay over and deliver to the Company any cash payment so being held by the Trustee or such Paying Agent upon delivery by the Company to the Trustee of Securities of that series purchased by the Company having an unpaid principal amount equal to the cash payment requested to be released to the Company.

Section 12.03. *Redemption of Securities for Sinking Fund.* Not less than 60 days prior to each sinking fund payment date for any series of Securities, the Company shall deliver to the Trustee an Officer's Certificate specifying the amount of the next ensuing mandatory sinking fund payment for that series pursuant to the terms of that series, the portion thereof, if any, which is to be satisfied by payment of cash and the portion thereof, if any, which is to be satisfied by delivering and crediting of Securities of that series pursuant to Section 12.02, and the optional amount, if any, to be added in cash to the next ensuing mandatory sinking fund payment, and will also deliver to the Trustee any Securities to be so credited and not theretofore delivered. If such Officer's Certificate shall specify an optional amount to be added in cash to the next ensuing mandatory sinking fund payment, the Company shall thereupon be obligated to pay the amount therein specified. Not less than 30 days before each such sinking fund payment date the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 11.03 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 11.04. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 11.06 and 11.07.

ARTICLE 13
SECURITIES IN FOREIGN CURRENCIES

Section 13.01. *Applicability of Article.* Whenever this Indenture provides for (a) any action by, or the determination of any of the rights of, Holders of Securities of any series in which not all of such Securities are denominated in the same Currency, or (b) any distribution to Holders of Securities, in the absence of any provision to the contrary in the form of Security of any particular series, any amount in respect of any Security denominated in a currency other than Dollars shall be treated for any such action or distribution as that amount of Dollars that could be obtained for such amount on such reasonable basis of exchange and as of the record date with respect to Securities of such series (if any) for such action, determination of rights or distribution (or, if there shall be no applicable record date, such other date reasonably proximate to the date of such action, determination of rights or distribution) as the Company may specify in a written notice to the Trustee.

ARTICLE 14
SUBORDINATION OF SECURITIES

Section 14.01. *Agreement to Subordinate.* The Company, for itself, its successors and assigns, covenants and agrees, and each Holder of Securities by his acceptance thereof, likewise covenants and agrees, that the indebtedness represented by the Securities and the payment of the principal of (and premium, if any) and interest, if any, on each and all of the Securities are hereby expressly subordinated, to the extent and in the manner hereinafter set forth, in right of payment to the prior payment in full of all Company Senior Indebtedness.

Section 14.02. *Subordination of Securities.* The obligations of the Company under the Securities, whether on account of principal, interest or otherwise, constitute direct, unconditional and subordinated obligations of the Company. Subject to mandatory provisions of Spanish Law, in the event of insolvency (*concurso*) of the Company under the Insolvency Law, the obligations of the Company on account of principal of the Securities will fall within the category of subordinated credits (*créditos subordinados*) (as defined in the Insolvency Law) and will rank in right of payment after Company Senior Indebtedness and will at all times rank *pari passu* among themselves and *pari passu* with all other present and future subordinated credits (*créditos subordinados*) (as defined in the Insolvency Law) of the Company, except for certain subordinated obligations expressed, by law or by their terms, to rank senior or junior to the Securities. Accordingly, no amount shall be payable to the Holders until the claims with respect to all Company Senior Indebtedness (other than as aforesaid) admitted in the insolvency (*concurso*) of the Company under the Insolvency Law have been satisfied pursuant to the laws of the Kingdom of Spain.

Prior to any voluntary or necessary declaration of insolvency (*concurso*) of the Company under the Insolvency Law or any voluntary or mandatory Company liquidation or similar procedure, the Company may be subject to an Early Intervention or Resolution and the Securities of any series may be subject to the exercise of the Spanish Bail-in Power, in which case no Holder of any Security shall have any claim against the Company in connection with or arising out of any such exercise of the Spanish Bail-in Power.

Section 14.03. *Payments on Securities Permitted.* Except as set forth in the immediately following paragraph and in Section 14.02, nothing contained in this Indenture or in any of the Securities shall (a) affect the obligation of the Company to make, or prevent the Company from making, at any time, payments of principal of (or premium, if any) or interest, if any, on the Securities or on account of the purchase or other acquisition of Securities or (b) prevent the application by the Trustee of any moneys deposited with it hereunder to the payment of or on account of the principal of (or premium, if any) or interest, if any, on the Securities, unless the Trustee shall have received at its Corporate Trust Office in London written notice of any event prohibiting the making of such payment more than three Business Days prior to the date fixed for such payment.

Prior to any voluntary or necessary declaration of insolvency (*concurso*) of the Company under the Insolvency Law or any voluntary or mandatory Company liquidation or similar procedure, the Company may be subject to an Early Intervention or Resolution and the Securities of any series may be subject to the exercise of the Spanish Bail-in Power, in which case the foregoing written notice obligation shall not apply.

Section 14.04. *Authorization of Holders to Trustee to Effect Subordination.* Each Holder by his acceptance thereof authorizes and directs the Trustee on his behalf to take such action as may be necessary or appropriate to effectuate the subordination of the Securities as provided in this Article 14 and appoints the Trustee his attorney-in-fact for any and all such purposes, including, if required, to grant any private or public documents on such Holder's behalf.

Section 14.05. *Modifications of Terms of Company Senior Indebtedness.* Any renewal or extension of the time of payment of any Company Senior Indebtedness or the exercise by the holders of Company Senior Indebtedness of any of their rights under any instrument creating or evidencing Company Senior Indebtedness, including, without limitation, the waiver of default thereunder, may be made or done all without notice to or assent from the Holders or the Trustee.

No compromise, alteration, amendment, modification, extension, renewal or other change of, or waiver, consent or other action in respect of, any liability or obligation under or in respect of, or of any of the terms, covenants or conditions of any indenture or other instrument under which any Company Senior Indebtedness is outstanding or of such Company Senior Indebtedness, whether or not such release is in accordance with the provisions of any applicable document, shall in any way alter or affect any of the provisions of this Article 14 or of the Securities relating to the subordination thereof.

Section 14.06. *Trustee Claims under Indenture Not Subordinated.* Nothing in this Article 14 shall apply to claims of, or payments to, the Trustee under or pursuant to Section 6.07.

Section 14.07. *Reliance on Judicial Order or Certificate of Liquidating Agent.* Upon any payment or distribution of assets of the Company referred to in this Article 14, the Trustee and the Holders shall be entitled to rely upon any order or decree entered by any court of competent jurisdiction in which such insolvency, bankruptcy, receivership, liquidation, reorganization, dissolution, winding up or similar case or proceeding is pending, or a certificate of the trustee in bankruptcy, liquidating trustee, custodian, receiver, assignee for the benefit of creditors, agent or other person making such payment or distribution, delivered to the Trustee or to the Holders of Securities, for the purpose of ascertaining the persons entitled to participate in such payment or distribution, the holders of Company Senior Indebtedness and other indebtedness of the Company, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Article 14.

Section 14.08. *Trustee Not Fiduciary for Holders of Company Senior Indebtedness.* The Trustee shall not be deemed to owe any fiduciary duty to the holders of Company Senior Indebtedness and shall not be liable to any such holders or creditors if it shall in good faith pay over or distribute to Holders of Securities or to the Company or to any other Person cash, property or securities to which any holders of Company Senior Indebtedness shall be entitled by virtue of this Article 14 or otherwise. With respect to the holders of Company Senior Indebtedness, the Trustee undertakes to perform or to observe only such of its covenants or obligations as are specifically set forth in this Article 14 and no implied covenants or obligations with respect to holders of Company Senior Indebtedness shall be read into this Indenture against the Trustee.

Section 14.09. *Article Applicable to Paying Agents.* In case at any time any Paying Agent other than the Trustee shall have been appointed by the Company and be then acting hereunder, the term "Trustee" as used in this Article 14 shall in such case (unless the context otherwise requires) be construed as extending to and including such Paying Agent within its meaning as fully for all intents and purposes as if such Paying Agent were named in this Article 14 in addition to or in place of the Trustee.

ARTICLE 15
Exercise of Spanish Bail-in Power

Section 15.01. *Agreement with Respect to the Exercise of Spanish Bail-in Power.* (a) Notwithstanding any other term of the Securities of any series, the Indenture or any other agreements, arrangements, or understandings between the Company and any Holder, by its acquisition of the Securities of any series, each Holder (which, for the purposes of this Article 15, includes each holder of a beneficial interest in the Securities) acknowledges, accepts, consents to and agrees to be bound by: (i) the exercise and effects of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority, which may be imposed with or without any prior notice with respect to the Securities of any series, and may include and result in any of the following, or some combination thereof: (1) the reduction or cancellation of all, or a portion, of the Amounts Due on the Securities of any series; (2) the conversion of all, or a portion, of the Amounts Due on the Securities of any series into shares, other securities or other obligations of the Company or another Person (and the issue to or conferral on the Holder of any such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Securities; (3) the cancellation of the Securities of any series; (4) the amendment or alteration of the maturity of the Securities of any series or amendment of the amount of interest payable on the Securities of any series, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and (ii) the variation of the terms of the Securities of any series or the rights of the Holders thereunder or under the Indenture, if necessary, to give effect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority.

(b) By its acquisition of the Securities of any series, each Holder acknowledges and agrees that neither a reduction or cancellation, in part or in full, of the Amounts Due on the Securities of any series or the conversion thereof into another security or obligation of the Company or another Person, in each case as a result of the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Company, nor the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities of a series shall: (i) give rise to a default or event of default for purposes of Section 315(b) (Notice of Default) and Section 315(c) (Duties of the Trustee in Case of Default) of the Trust Indenture Act; or (ii) be a default or an Event of Default with respect to the Securities or under this Indenture. By its acquisition of the Securities of any series, each Holder further acknowledges and agrees that no repayment or payment of Amounts Due on the Securities of any series shall become due and payable or be paid after the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority if, and to the extent that, such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

(c) By its acquisition of the Securities of any series, each Holder, to the extent permitted by the Trust Indenture Act, waives any and all claims, in law and/or in equity, against the Trustee for, agrees not to initiate a suit against the Trustee in respect of, and agrees that the Trustee shall not be liable for, any action that the Trustee takes, or abstains from taking, in either case in accordance with the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities of such series. Additionally, by its acquisition of the Securities of any series, each Holder acknowledges and agrees that, upon the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities of such series: (i) the Trustee shall not be required to take any further directions from the Holders with respect to any portion of the Securities of such series that is written down, converted to equity and/or cancelled under Section 5.12 of this Indenture; and (ii) this Indenture shall not impose any duties upon the Trustee whatsoever with respect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority; *provided, however*, that notwithstanding the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities of a series, so long as any Securities of such series remain outstanding, there shall at all times be a trustee for the Securities of such series in accordance with the Indenture, and the resignation and/or removal of the Trustee and the appointment of a successor trustee shall continue to be governed by this Indenture, including to the extent no additional supplemental indenture or amendment is agreed upon in the event the Securities of such series remain outstanding following the completion of the exercise of the Spanish Bail-in Power.

(d) By its acquisition of the Securities of any series, each Holder shall be deemed to have authorized, directed and requested the relevant Depository (including, if applicable, The Depository Trust Company) and any direct participant therein or other intermediary through which it holds such Securities to take any and all necessary action, if required, to implement the exercise of the Spanish Bail-in Power with respect to the Securities as it may be imposed, without any further action or direction on the part of such Holder.

(e) Upon the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities of any series, the Company or the Relevant Spanish Resolution Authority (as the case may be) shall provide a written notice to the Depository as soon as practicable regarding such exercise of the Spanish Bail-in Power for purposes of notifying the Holders of such Securities. The Company shall also deliver a copy of such notice to the Trustee for information purposes.

(f) If the Company or the Holders have elected to redeem the Securities of any series but prior to the deposit, with the Trustee or with a Paying Agent as the case may be, of the Redemption Price with respect to such redemption the Relevant Spanish Resolution Authority exercises its Spanish Bail-in Power with respect to such series of Securities the relevant redemption notice shall be automatically rescinded and shall be of no force and effect, and no payment of the Redemption Price (and any accrued interest and Additional Amounts payable under Article 11) will be due and payable.

(g) Each Holder that acquires Securities of any series in the secondary market or otherwise shall be deemed to acknowledge and agree to be bound by and consent to the same provisions specified in this Indenture to the same extent as the Holders that acquire the Securities upon their initial issuance, including, without limitation, with respect to this Article 15.

Section 15.02. *BRRD Liabilities*. Notwithstanding and to the exclusion of any other term of this Indenture or any other agreements, arrangements, or understandings between the Company and the Trustee, the Trustee acknowledges and accepts that a BRRD Liability arising under this Indenture may be subject to the exercise of Spanish Bail-in Powers by the Relevant Spanish Resolution Authority, and acknowledges, accepts, and agrees to be bound by:

(a) the effect of the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority in relation to any BRRD Liability of the Company to the Trustee, which (without limitation) may include and result in any of the following, or some combination thereof:

(i) the reduction of all, or a portion, of such BRRD Liability or outstanding amounts due thereon;

(ii) the conversion of all, or a portion, of such BRRD Liability into shares, other securities or other obligations of the Company or another Person, and the issue to or conferral on the Trustee of such shares, securities or obligations;

(iii) the cancellation of such BRRD Liability; and/or

(iv) the amendment or alteration of any interest, if applicable, on such BRRD Liability, and the maturity or the dates on which any payments on such BRRD Liability are due, including by suspending payment for a temporary period; and

(b) the variation of the terms of this Indenture, as deemed necessary by the Relevant Spanish Resolution Authority, to give effect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority.

* * *

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed all as of the day and year first above written.

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.,
as Company

By: /s/ Erik Schotkamp
Name: Erik Schotkamp
Title: Capital & Funding Management Director

THE BANK OF NEW YORK MELLON,
as Trustee, Security Registrar, transfer agent and Paying Agent

By: /s/ Marilyn Chau
Name: Marilyn Chau
Title: Vice President

EXHIBIT A

FORM OF FACE OF SECURITY

[Insert any legend required by the Internal Revenue Code and the regulations thereunder.]

THIS SECURITY IS NOT INSURED BY THE
FEDERAL DEPOSIT INSURANCE CORPORATION

No. [Amount]
CUSIP NO.

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

% Subordinated Securities Due

SECURITY

BANCO BILBAO VIZCAYA ARGENTARIA, S.A., a *sociedad anónima* organized under the laws of the Kingdom of Spain and having its registered office in the Kingdom of Spain (together with its successors and permitted assigns under the Indenture referred to on the reverse hereof, the "**Company**"), for value received, hereby promises to pay to , or registered assigns, the principal sum of on or on such earlier date as the principal hereof may become due in accordance with the provisions hereof.

[The Company further unconditionally promises, subject to paragraph 2(b) of the Terms and Conditions of the Securities referred to below and the [fifth] [sixth] immediately succeeding paragraph, to pay interest in arrears on and of each year (each an "**Interest Payment Date**"), commencing , 20 , and at maturity or redemption, on said principal sum at the rate of % per annum. Interest shall accrue from and including the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from and including , 20 until payment of said principal sum has been made or duly provided for. The interest payable on any such and will, subject to certain conditions set forth in the Indenture referred to on the reverse hereof, be paid to the person in whose name this Security is registered at the end of the close of business on the Regular Record Date for such interest which shall be the and (whether or not such day is a Business Day), as the case may be, next preceding each such Interest Payment Date.]

[The principal of this Security shall not bear interest except in the case of a default in payment of principal upon acceleration, upon redemption or at Stated Maturity and in such case the overdue principal and any overdue premium shall bear interest at the rate of % per annum (to the extent that the payment of such interest shall be legally enforceable), from the dates such amounts are due until they are paid or made available for payment. Interest on any overdue principal or premium shall be payable on demand.]

Payment of interest (including Additional Amounts) on Securities will be made [(i) by a [denomination] check drawn on a bank in mailed to the Holder at such Holder's registered address or (ii) upon application in writing by the Holder of at least in principal amount of Securities to the Trustee not later than 15 days prior to the relevant Interest Payment Date,] by wire transfer in immediately available funds to a [denomination] account maintained by the Holder with a bank in . "**Business Day**" [with respect to any Place of Payment or other location, means each Monday, Tuesday, Wednesday, Thursday and Friday that is not a Legal Holiday in such Place of Payment or other location].

Such payments shall be made in such coin or currency of as at the time of payment shall be legal tender for the payment of public and private debts.

The Company hereby irrevocably undertakes to the holder hereof to exchange this Security in accordance with the terms of the Indenture without charge upon request of such holder for Securities of the same series upon delivery hereof to the Trustee together with any certificates, letters or writings required in Section 3.03 of the Indenture.

Except as set forth in the immediately following paragraph, no reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this Security at the place, times, and rate, and in the currency, herein prescribed.

Notwithstanding any other term of this Security, the Indenture or any other agreements, arrangements, or understandings between the Company and any Holder, by its acquisition of this Security, each Holder (including, for purposes of this paragraph, each holder of a beneficial interest in the Security) acknowledges, accepts, consents to and agrees to be bound by: (i) the exercise and effects of the Spanish Bail-in Power (as defined on the reverse hereof) by the Relevant Spanish Resolution Authority (as defined on the reverse hereof), which may be imposed with or without any prior notice with respect to the Security, and may include and result in any of the following, or some combination thereof: (1) the reduction or cancellation of all, or a portion, of the Amounts Due (as defined on the reverse hereof) on the Securities; (2) the conversion of all, or a portion, of the Amounts Due on the Securities into shares, other securities or other obligations of the Company or another Person (and the issue to or conferral on the Holder of any such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Securities; (3) the cancellation of the Securities; (4) the amendment or alteration of the maturity of the Securities or amendment of the amount of interest payable on the Securities, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and (ii) the variation of the terms of the Securities or the rights of the Holders thereunder or under the Indenture, if necessary, to give effect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority. The Holder shall not have any claim against the Company in connection with or arising out of any such exercise or variation.

[THIS SECURITY IS ISSUED WITH ORIGINAL ISSUE DISCOUNT FOR PURPOSES OF SECTIONS 1272, 1273 AND 1275 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, AND THE RULES AND REGULATIONS THEREUNDER. SOLELY FOR PURPOSES OF THESE ORIGINAL ISSUE DISCOUNT RULES, FOR EACH US$ 1,000 PRINCIPAL AMOUNT OF THIS SECURITY, (1) THE ISSUE PRICE IS US$ [ ]; (2) THE AMOUNT OF ORIGINAL ISSUE DISCOUNT IS US$ [ ]; (3) THE ISSUE DATE IS [ ]; (4) THE YIELD TO MATURITY IS [ ]%, COMPOUNDED [SEMI-ANNUALLY].][1]

Reference is made to the further provisions set forth under the Terms and Conditions of the Securities endorsed on the reverse hereof. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This Security shall not be valid or obligatory for any purpose until the certificate of authentication of this Security shall have been manually executed by or on behalf of the Trustee under the Indenture.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated:

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

By: _____
Name:
Title:

[1] *Include for securities issued with more than de-minimis original issue discount for U.S. federal income tax purposes.*

Certificate of Authentication

This is one of the Securities of the series designated herein referred to in the within-mentioned Indenture.

Dated: _____

The Bank of New York Mellon, as Trustee

By: _____
Authorized Signatory

EXHIBIT B

[FORM OF REVERSE OF SECURITY AND GLOBAL SECURITY]

TERMS AND CONDITIONS OF THE SECURITIES

1. *General*. (a) This security is one of a duly authorized issue of a series of debt securities of the Company, designated as its % Subordinated Securities Due (referred to as the "**Securities**", as further defined below), limited to the aggregate principal amount of (except as otherwise provided below) and issued or to be issued pursuant to an Indenture (as modified and supplemented from time to time, the "**Indenture**") dated as of , 20 among the Company and The Bank of New York Mellon, as trustee (together with any successor Trustee under the Indenture, the "**Trustee**"), Security Registrar, transfer agent and Paying Agent. The terms and conditions of the Indenture shall have effect as if incorporated herein. All capitalized terms used in this Security but not otherwise defined herein are used as defined in the Indenture and shall have the meanings assigned to them in the Indenture. The holders of the Securities (each a "**Holder**") will be entitled to the benefits of, be bound by, and be deemed to have notice of, all of the provisions of the Indenture and reference is made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee, the holders of the Company Senior Indebtedness and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. A copy of the Indenture is on file and may be inspected at the Corporate Trust Office of the Trustee in London, England.

(b) The Securities are direct, unconditional and unsecured obligations of the Company.

(c) The Securities will initially be sold in the form of one or more global certificates representing the notes in fully registered form without interest coupons (each a "**Global Security**" and, together with any securities issued in definitive form pursuant to the Indenture (each a "**Security**"), the "**Securities**") deposited with The Bank of New York Mellon as custodian for The Depository Trust Company ("**DTC**"). The Securities will not be issued in bearer form. The Securities, and transfers thereof, shall be registered as provided in Section 3.05 of the Indenture. Any person in whose name a Security shall be registered may (to the fullest extent permitted by applicable law) be treated at all times, and for all purposes, by the Company and the Trustee as the absolute owner of such Security, regardless of any notice of ownership, theft or loss or of any writing thereon.

2. *Payments and Paying Agencies*. (a) All payments on the Securities shall be made in such coin or currency of as at the time of payment shall be legal tender for the payment of public and private debts.

(b) (i) Principal of this Security and interest due at maturity will be payable against surrender of such Security at the office of the Paying Agent in New York City in immediately available funds [by [denomination] check drawn on, or] by transfer to a [denomination] account maintained by the registered Holder with, a bank located in the United States.

(ii) Payment of interest (including Additional Amounts) on this Security will be made to the persons in whose name such Security is registered at the end of the close of business on the Regular Record Date, which shall be the end of the day next preceding the date on which interest is to be paid whether or not such day is a Business Day, notwithstanding the cancellation of such Security upon any transfer or exchange thereof subsequent to the Record Date and prior to such interest payment date.

Any interest on and any Additional Amounts with respect to the Securities which shall be payable, but shall not be punctually paid or duly provided for, on any Interest Payment Date for such Securities (herein called "**Defaulted Interest**") shall forthwith cease to be payable to the Holder thereof on the relevant Regular Record Date by virtue of having been such Holder; and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in clause (A) or (B) below:

(A) The Company may elect to make payment of any Defaulted Interest to the Person in whose name such Security (or a Predecessor Security thereof) shall be registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on such Security and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit on or prior to the date of the proposed payment, such money when so deposited to be held in trust for the benefit of the Person entitled to such Defaulted Interest as in this Clause provided. Thereupon, the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than ten days prior to the date of the proposed payment and not less

than ten days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first class postage prepaid, to the Holders (or holders of a Predecessor Security of their Securities) at their addresses as they appear in the Security Register not less than ten days prior to such Special Record Date. The Trustee shall, at the instruction of the Company, in the name and at the expense of the Company, cause a similar notice to be published at least once in an Authorized Newspaper of general circulation in the Borough of Manhattan, The City of New York, but such publication shall not be a condition precedent to the establishment of such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the Person in whose name such Security (or Predecessor Security thereof) shall be registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (B).

(B) The Company may make payment of any Defaulted Interest in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Security may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such payment shall be deemed practicable by the Trustee.

(c) Interest shall be computed on the basis of a 360-day year of 12 30-day months.

3. Additional Amounts; Redemption for Taxation or Listing Reasons[; Optional Redemption]

(a) Any amounts to be paid by the Company with respect to each Security shall be paid without deduction or withholding for or on account of any and all present or future taxes or duties of whatever nature ("**Taxes**") unless such withholding or deduction is required by law. In the event any such withholding or deduction is imposed or levied by or on behalf of the Kingdom of Spain or any political subdivision or authority thereof or therein having the power to tax, the Company will pay to the Holder such Additional Amounts in respect of principal, premium, if any, interest, if any, and sinking fund payments, if any, as may be necessary in order that the net amount received by the Holder of such Security under the Indenture, after such deduction or withholding, shall equal the respective amounts of principal, premium, if any, interest, if any, and sinking fund payments, if any, as specified in the Security to which such Holder or the Trustee would be entitled if no such deduction or withholding had been made; *provided, however*, that the foregoing obligation to pay Additional Amounts will not apply:

(i) to, or to a third party on behalf of, a Holder who is liable for such Taxes by reason of such Holder (or the beneficial owner of the Security for whose benefit such Holder holds such Security) having some connection with the Kingdom of Spain other than the mere holding of the Security (or such beneficial interest) or the mere crediting of the Security to its securities account with the relevant Depository;

(ii) in the case of a Security presented for payment (where presentation is required) more than 30 days after the Relevant Date (as defined below) except to the extent that the Holder would have been entitled to Additional Amounts on presenting the same for payment on such thirtieth day assuming that day to have been a business day in such place of presentment;

(iii) in respect of any tax, assessment or other governmental charge that would not have been imposed but for the failure by the Holder or beneficial owner of the Security to comply with certification, information or other reporting requirements concerning the nationality, residence or identity of the Holder or beneficial owner of that Security, if compliance is required by statute or by regulation of Spain or of any political subdivision or taxing authority thereof or therein as a precondition to reduction of or relief or exemption from the tax, assessment or other governmental charge;

(iv) in respect of any Security presented for payment (where presentation is required) by or on behalf of a Holder who would be able to avoid such withholding or deduction by presenting the relevant Security to another Paying Agent; or

(v) in the event that the Security is redeemed pursuant to Section 11.08(b) of the Indenture.

Additional Amounts will also not be paid with respect to any payment on any Security to any Holder who is a fiduciary, partnership, limited liability company or Person other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of the Kingdom of Spain (or any political subdivision thereof) to be included in the income, for Spanish tax purposes, of a beneficiary or settlor with respect to such fiduciary, member of such partnership, interest holder in that limited liability company or beneficial owner who would not have been entitled to such Additional Amounts had it been a Holder of such Security.

No Additional Amounts will be paid by the Company or any paying agent on account of any deduction or withholding from a payment on, or in respect of, the Securities where such deduction or withholding is imposed pursuant to any agreement with the U.S. Internal Revenue Service in connection with Sections 1471-1474 of the U.S. Internal Revenue Code and the U.S. Treasury regulations thereunder ("**FATCA**"), any intergovernmental agreement between the United States and Spain or any other jurisdiction with respect to FATCA, or any law, regulation or other official guidance enacted in any jurisdiction implementing, or relating to, FATCA or any intergovernmental agreement.

For the purposes of (ii) above, the "**Relevant Date**" means, in respect of any payment, the date on which any payment first becomes due and payable, but if the full amount of the moneys payable has not been received by the Paying Agent on or prior to such due date, it means the first date on which the full amount of such moneys having been so received and being available for payment to Holders, notice to that effect shall have been duly given to the Holders in accordance with the Indenture.

(b) All (but not less than all) of the Securities may be redeemed at the Redemption Price in accordance with the terms of Article 11 of the Indenture at the option of the Company, subject to the prior approval of the relevant authority, if, as the result of any change in or any amendment to the laws or regulations of the Kingdom of Spain (including any treaty to which Spain is a party) or any political subdivision or any authority or agency thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change, amendment, application or interpretation becomes effective on or after [the date of the applicable prospectus supplement relating to the Securities], either (i) the Company would become obligated to pay Additional Amounts in making any payments under the Securities with respect thereto as a result of any taxes, levies, imposts or other governmental charges imposed (whether by way of withholding or deduction or otherwise) by or for the account of the Kingdom of Spain or any political subdivision or authority thereof or therein having the power to tax, or (ii) the Company would not be entitled to claim a deduction in computing tax liabilities in Spain in respect of any interest to be paid on the next Interest Payment Date on the Securities or the value of such deduction to the Company would be materially reduced; *provided* that, in the case of (i) above, no such notice to the Trustee of the redemption shall be given earlier than 60 days prior to the earliest date on which the Company would be obligated to deduct or withhold tax or pay such Additional Amounts were a payment in respect of the Securities then due.

Prior to any notice of redemption of the Securities pursuant to this paragraph, the Company shall provide the Trustee with (i) an Officer's Certificate of the Company stating that the Company is entitled to effect such redemption and setting forth in reasonable detail a statement of circumstances showing that the conditions precedent to the right of the Company to redeem such Securities pursuant to this paragraph have been satisfied; (ii) an Opinion of Counsel to the effect that any of the circumstances referred to in the preceding paragraph prevail; and (iii) where applicable, a copy of the communication received from the relevant authority in relation to the consent to such redemption or an Officer's Certificate of the Company stating that the Company has obtained such consent.

(c) If the Securities are not listed on an organized market in an OECD country by the date that is 45 days before the initial Interest Payment Date on such Securities, the Company may, at its election and having given no less than 15 days' notice to the Holders, redeem all of the Outstanding Securities at their principal amount, together with accrued interest, if any, thereon to but not including the Redemption Date; provided that from and including the issue date of such Securities to and including such Interest Payment Date, the Company will use its reasonable efforts to obtain or maintain such listing, as applicable. In the event of an early redemption of the Securities for the reasons set forth in the preceding sentence, if required by the relevant Spanish law and regulation, the Company will withhold tax and will pay interest in respect of the principal amount of the Securities redeemed net of the Spanish withholding tax applicable to such payments.

(d) *[Insert terms of optional redemption, if applicable]*

4. *Certain Covenants of the Company*. The Indenture contains certain covenants of the Company, including covenants as to the payment of principal of and any premium or interest (including Additional Amounts) on the Securities, the maintenance of offices for payments and the appointment to fill a vacancy in the office of Trustee.

5. *Events of Default*. Each of the following events shall constitute an "**Event of Default**" under this Security (whatever the reason for any such Event of Default and whether it shall be voluntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body), except as set forth in this paragraph 5:

(a) an order is made by any competent court commencing insolvency proceedings (*procedimientos concursales*) against the Company or an order of any competent court or administrative agency is made or a resolution is passed by the Company for the dissolution or winding up of the Company (except (i) in any such case for the purpose of a reconstruction or a merger or amalgamation which has been approved by an Act (as defined below) of the Holders or (ii) where the entity resulting from any such reconstruction or merger or amalgamation is a financial institution (*entidad de crédito* according to Article 1 of Law 10/2014 of June 26, on regulation, oversight and solvency of credit institutions, as amended, replaced or supplemented from time to time) and will have a rating for long-term senior debt assigned by Standard & Poor's Ratings Services, Moody's Investors Service or Fitch Ratings Ltd. equivalent to or higher than the rating for long-term senior debt of the Company immediately prior to such reconstruction or merger or amalgamation); or

(b) *[any other Event of Default provided in the supplemental indenture or Board Resolution under which the Securities are issued or in the Officer's Certificate for such Securities]*.

Notwithstanding any other provision in these terms or the Indenture, any Resolution or Early Intervention with respect to the Company shall not, in and of itself and without regard to any other fact or circumstance, constitute a default or an Event of Default under paragraph 5(a) above or under any other of the terms or the Indenture with respect to the Securities. In addition, neither (i) a reduction or cancellation, in part or in full, of the Amounts Due (as defined below) on the Securities or the conversion thereof into another security or obligation of the Company or another Person, in each case as a result of the exercise of the Spanish Bail-in Power (as defined below) by the Relevant Spanish Resolution Authority (as defined below) with respect to the Company, nor (ii) the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities will constitute an Event of Default or default under the Indenture or the Securities. In addition, no repayment or payment of Amounts Due on the Securities will become due and payable or be paid after the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority if, and to the extent that, such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

"**Act**" means any request, demand, authorization, direction, notice, consent, waiver or other action provided by or pursuant to the Indenture to be given or taken by Holders of Securities and the instrument or instruments in which such action is embodied and evidenced by.

"**Amounts Due**" with respect to a Security means the principal amount of or outstanding amount (if applicable), together with any accrued but unpaid interest, Additional Amounts, premium (if any) and sinking fund payments (if any) due on such Security. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of the Spanish Bail-in Power (as defined below) by the Relevant Spanish Resolution Authority (as defined below).

"**Early Intervention**" means, with respect to any Person, that any Relevant Spanish Resolution Authority or the European Central Bank, shall have announced or determined that such Person has or shall become the subject of an "early intervention" (*actuación temprana*) as such term is defined in Law 11/2015 (as defined herein).

"**Law 11/2015**" means Spanish Law 11/2015 of June 18, on the Recovery and Resolution of Credit Institutions and Investment Firms (*Ley 11/2015 de 18 de junio, de Recuperación y Resolución de Entidades de Crédito y Empresas de Servicios de Inversión*), as amended, replaced or supplemented from time to time.

"**RD 1012/2015**" means Royal Decree 1012/2015 of November 6, by virtue of which Law 11/2015 is developed and Royal Decree 2606/1996 of December 20 on credit entities' deposit guarantee fund is amended, as amended, replaced or supplemented from time to time.

"**Relevant Spanish Resolution Authority**" means the Spanish Fund for the Orderly Restructuring of Banks (*Fondo de Restructuración Ordenada Bancaria*), the European Single Resolution Mechanism and, as the case may be, according to Law 11/2015, the Bank of Spain and the Spanish Securities Market Commission (CNMV), and any other entity with the authority to exercise the Spanish Bail-in Power (as defined herein) from time to time.

"**Resolution**" means, with respect to any Person, that any Relevant Spanish Resolution Authority shall have announced or determined that such Person has or shall become the subject of a "resolution" (*resolución*) as such term is defined in Law 11/2015.

"**Spanish Bail-in Power**" means any write-down, conversion, transfer, modification, or suspension power existing from time to time under: (i) any law, regulation, rule or requirement applicable from time to time in the Kingdom of Spain, relating to the transposition or development of Directive 2014/59/EU of the European Parliament and the Council of the European Union of May 15, 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended, replaced or supplemented from time to time, including, but not limited to (a) Law 11/2015, (b) RD 1012/2015 and (c) Regulation (EU) No. 806/2014 of the European Parliament and of the Council of July 15, 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Resolution Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010, as amended, replaced or supplemented from time to time; or (ii) any other law, regulation, rule or requirement applicable from time to time in the Kingdom of Spain pursuant to which (a) obligations or liabilities of banks, investment firms or other financial institutions or their affiliates can be reduced, cancelled, modified, transferred or converted into shares, other securities, or other obligations of such Persons or any other Person (or suspended for a temporary period or permanently) or (b) any right in a contract governing such obligations may be deemed to have been exercised.

6. *Modifications and Amendments*. (a) With the consent, as evidenced in an Act of the Holders of not less than a majority in principal amount of the Securities at the time Outstanding, modifications and amendments to the Indenture and hereto may be made by execution of a supplemental indenture, as provided in the Indenture, and future compliance therewith and herewith or, prior to declaration of maturity of the Securities, past default by the Company may be waived, with the consent, as evidenced in an Act of Holders representing at least a majority in aggregate principal amount of the Securities at the time Outstanding; *provided, however*, that no such modification, amendment or waiver shall, without the consent of the Holder of each such Security affected thereby,

(i) change the Stated Maturity of the principal of, or any premium or installment of interest on or any Additional Amounts with respect to, any Security, or reduce the principal amount thereof, or the rate of interest thereon (except that Holders of not less than 75% in principal amount of Outstanding Securities of a series may consent by Act , on behalf of the Holders of all of the Outstanding Securities of such series, to the postponement of the Stated Maturity of any installment of interest for a period not exceeding three years from the original Stated Maturity of such installment (which original Stated Maturity shall have been fixed, for the avoidance of doubt, prior to any previous postponements of such installment)) or any Additional Amounts with respect thereto, or any premium payable upon the redemption thereof or otherwise, or change the obligation of the Company to pay Additional Amounts pursuant to Section 10.04 of the Indenture (except as contemplated by Section 3.07 of the Indenture and permitted by Section 9.01(a) of the Indenture), or reduce the amount of the principal of an Original Issue Discount Security that would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 5.02 of the Indenture or the amount thereof provable in bankruptcy pursuant to Section 5.04 of the Indenture, or change the redemption provisions, or change the Place of Payment, Currency in which the principal of, any premium or interest on, or any Additional Amounts with respect to any Security is payable, or impair the right to institute suit for the enforcement of any such payment on or with respect to any Security on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date or, in the case of repayment at the option of the Holder, on or after the date for repayment), or

(ii) reduce the percentage in principal amount of the Outstanding Securities, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of the Indenture or certain defaults thereunder and their consequences) provided for in the Indenture, or reduce the requirements for a quorum or voting, or

(iii) modify any of the provisions of Section 9.02 or Section 5.13 of the Indenture, except to increase any such percentage or to provide that certain other provisions of the Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Security affected thereby, or

(iv) change in any manner adverse to the interests of the Holders of Outstanding Securities the terms and conditions of the obligations of the Company in respect of the due and punctual payment of the principal thereof (and premium, if any) and interest, if any, thereon or any sinking fund payments, if any, provided for in respect thereof,

except in each case with respect to any modification or amendment of the Indenture pursuant to a supplemental indenture and hereto which is entered into as a result of, and to the extent required by, the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority (in which case neither the consent nor the affirmative vote of any Holder of a Security affected shall be required).

7. *Replacement; Exchange and Transfer of Securities*. (a) In case any Security shall become mutilated, defaced or be apparently destroyed, lost or stolen, upon the request of the registered Holder thereof and subject to Section 3.06 of the Indenture, the Company shall execute and the Trustee shall authenticate and deliver a new Security containing identical terms and of like principal amount and bearing a number not contemporaneously outstanding, in exchange and substitution for the mutilated or defaced Security, or in lieu of and in substitution for the apparently destroyed, lost or stolen Security. In every case, the applicant for a substitute Security shall furnish to the Company and the Trustee such security or indemnity as may be required by each of them to indemnify and defend and to save each of them and any agent of the Company or the Trustee harmless and, in every case of destruction, loss or theft evidence to their satisfaction of the apparent destruction, loss or theft of such Security and of the ownership thereof. Upon the issuance of any substitute Security, the Holder of such Security, if so requested by the Company, will pay a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected with the preparation and issuance of the substitute Security.

(b) The Securities are issuable in registered form and without coupons. Upon the terms and subject to the conditions set forth in the Indenture, and subject to paragraph 7(e) hereof, a Security or Securities may be exchanged for an equal aggregate principal amount of Securities in different authorized denominations by surrender of such Security or Securities at the Corporate Trust Office of the Trustee in London, England or at the office of a transfer agent, together with a written request for the exchange.

(c) Upon the terms and subject to the conditions set forth in the Indenture, and subject to paragraph 7(e) hereof, a Security may be transferred in whole or in a smaller authorized denomination by the Holder or Holders surrendering the Security for transfer at the Corporate Trust Office of the Trustee in London, England or at the office of a transfer agent accompanied by an executed instrument of assignment and transfer. The registration of transfer of the Securities will be made by the Security Registrar in New York City.

(d) The costs and expenses of effecting any exchange, transfer or registration of transfer pursuant to the foregoing provisions, except, if the Company shall so require, the payment of a sum sufficient to cover any tax or other governmental charge or other expenses that may be imposed in relation thereto, will be borne by the Company.

(e) The Company may decline (i) to issue, register the transfer of or exchange any Securities during a period beginning at the opening of business 15 days before the day of the selection for redemption of Securities of like tenor and the same series under Section 11.03 of the Indenture and ending at the close of business on the day of such selection, or (ii) to register the transfer of or exchange any Security so selected for redemption in whole or in part, except in the case of any Security to be redeemed in part, the portion thereof not to be redeemed, (iii) to issue, register the transfer of or exchange any Security which, in accordance with its terms, has been surrendered for repayment at the option of the Holder, except the portion, if any, of such Security not to be so repaid.

8. *Trustee*. For a description of the duties and the immunities and rights of the Trustee under the Indenture, reference is made to the Indenture, and the obligations of the Trustee to the Holder hereof are subject to such immunities and rights.

9. *Paying Agent; Transfer Agent; Registrar*. The Company hereby initially appoints the Paying Agent, transfer agent and Security Registrar listed at the foot of this Security. The Company may at any time appoint additional or other paying agents, transfer agents and registrars and terminate the appointment thereof; *provided* that while the Securities are Outstanding the Company will maintain offices or agencies for the payment of principal of and any premium or interest (including Additional Amounts) on this Security as herein provided in New York City. Notice of any such termination or appointment and of any change in the office through which any Paying Agent, transfer agent or Security Registrar will act will be promptly given in the manner described in paragraph 11 hereof.

10. *Enforcement*. Except as provided in Section 5.07 of the Indenture, no Holder of any Security shall have any right by virtue of or by availing itself of any provision of the Indenture or of these terms to institute any suit, action or proceeding in equity or at law upon or under or with respect to the Indenture or of the Securities or for the appointment of a receiver or trustee, or for any other remedy thereunder, unless (a) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Securities, (b) the Holders of not less than 25% in principal amount of the Securities then Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder and such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request, (c) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding, and (d) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by Holders of a majority in principal amount of the Outstanding Securities.

11. *Notices*. Except as otherwise expressly provided in or pursuant to the Indenture, where the Indenture provides for notice to Holders of any event, such notice shall be sufficiently given to Holders if in writing and mailed, first-class postage prepaid, to each Holder of a Security affected by such event, at his address as it appears in the Security Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice.

In addition, the Company shall cause any publications of such notices as may be required from time to time by applicable Spanish law.

12. *Prescription*. All claims made against the Company for payment of principal of, any premium or interest or Additional Amounts on, or in respect of, the Securities shall become void unless made within six years, or if shorter within the period provided for under New York law, from the later of the date on which such payment first became due and the date on which the full amount was received by the Trustee or the Paying Agent.

13. *Authentication*. This Security shall not become valid or obligatory for any purpose until the certificate of authentication hereon shall have been executed by or on behalf of the Trustee by the manual signature of one of its authorized officers or by the Authenticating Agent.

14. *Governing Law; Jurisdiction; Service of Process*. (a) This Security shall be governed by and construed under the laws of the State of New York applicable to agreements made or instruments entered into and, in each case, performed in said state, except that the authorization, issuance and execution by the Company of the Securities and paragraphs 17(a) and 17(b) shall be governed by and construed in accordance with Spanish law.

(b) In the Indenture, the Company has irrevocably submitted to the nonexclusive jurisdiction of any U.S. federal or state court in the Borough of Manhattan, The City of New York, New York over any suit or proceeding arising out of or relating to the Indenture or any Security. In addition, the Company has irrevocably waived, to the extent it may effectively do so, any objection which it may have now or hereafter to the laying of the venue of any such suit or proceeding brought in such courts.

(c) As long as any of the Securities remains outstanding, the Company will at all times have an authorized agent in New York City upon which process may be served in any suit or proceeding arising out of or relating to the Indenture or any Security. Service of process upon such agent and written notice of such service mailed or delivered to the Company shall to the extent permitted by law be deemed in every respect effective service of process upon the Company in any such legal action or proceeding. The Company has appointed Banco Bilbao Vizcaya Argentaria, S.A., New York Branch, as its agent for such purpose, and has covenanted and agreed that service of process in any suit or proceeding may be made upon it at the office of such agent at Banco Bilbao Vizcaya Argentaria, S.A., 1345 Avenue of the Americas, New York, New York, 10105, U.S.A. (or at such other address or at the office of such other authorized agent as the Company may designate in accordance with Section 1.16 of the Indenture).

15. *Defeasance*. The Indenture contains provisions for defeasance at any time of the entire indebtedness of this Security or certain restrictive covenants and Events of Default with respect to this Security, in each case upon compliance with certain conditions set forth in the Indenture.

16. *Descriptive Headings*. The descriptive headings appearing in these terms are for convenience of reference only and shall not alter, limit or define the provisions hereof.

17. *Subordination*. (a) The obligations of the Company under the Securities, whether on account of principal, interest or otherwise, constitute direct, unconditional and subordinated obligations of the Company. Subject to mandatory provisions of Spanish law, in the event of insolvency (*concurso*) of the Company under the Insolvency Law, the obligations of the Company on account of principal of the Securities will fall within the category of subordinated credits (*créditos subordinados*) (as defined in the Insolvency Law) and will rank in right of payment after Company Senior Indebtedness and will at all times rank pari passu among themselves and pari passu with all other present and future subordinated credits (*créditos subordinados*) (as defined in the Insolvency Law) of the Company, except for certain subordinated obligations expressed, by law or by their terms, to rank senior or junior to the Securities. Accordingly, no amount shall be payable to the Holders until the claims with respect to all Company Senior Indebtedness (other than as aforesaid) admitted in the insolvency (*concurso*) of the Company under the Insolvency Law have been satisfied pursuant to the laws of the Kingdom of Spain.

Prior to any voluntary or necessary declaration of insolvency (*concurso*) of the Company under the Insolvency Law or any voluntary or mandatory Company liquidation or similar procedure, the Company may be subject to an Early Intervention or Resolution and the Security may be subject to the exercise of the Spanish Bail-in Power, in which case no Holder of any Security shall have any claim against the Company in connection with or arising out of any such exercise of the Spanish Bail-in Power.

(b) Each Holder of this Security by his acceptance thereof authorizes and directs the Trustee on his behalf to take such action as may be necessary or appropriate to effectuate the subordination of the Securities as provided in this paragraph 17 and Article 14 of the Indenture and appoints the Trustee his attorney-in-fact for any and all such purposes, including, if required, to grant any private or public documents on such Holder's behalf.

(c) "**Company Senior Indebtedness**" means Senior Indebtedness of the Company.

"**Insolvency Law**" means the Spanish law 22/2003 of July 9, as amended, replaced or supplemented from time to time, including the order of payment of insolvency claims set forth in additional provision 14th of Law 11/2015.

"**Senior Indebtedness**" means, with respect to any Person, all rights and claims, whether outstanding on the date of the Indenture or thereafter created, incurred, assumed or guaranteed, and all amendments, renewals, extensions, modifications and refundings of indebtedness or obligations represented by such rights and claims, (i) of privileged creditors (*acreedores privilegiados*), unsecured and unsubordinated creditors (*acreedores comunes*), those subordinated creditors referred to in art. 92.1 of the Insolvency Law and insolvency estate creditors (*acreedores contra la masa*) of such Person, in each case as determined in accordance with the Insolvency Law; or (ii) if such Insolvency Law is no longer in effect, all of such rights and claims of all creditors of such Person, unless in any such case the instrument by which the indebtedness or obligations represented by such rights and claims are created, incurred, assumed or guaranteed by such Person, or are evidenced, provides that they are subordinate, or are not superior, in right of payment to this Security.

18. *Certain Undertakings and Agreements by Holders*. (a) Notwithstanding any other term of this Security, the Indenture or any other agreements, arrangements, or understandings between the Company and any Holder, by its acquisition of this Security, each Holder (which, for the purposes of this paragraph 18, includes each holder of a beneficial interest in the Security) acknowledges, accepts, consents to and agrees to be bound by: (i) the exercise and effects of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority, which may be imposed with or without any prior notice with respect to the Security, and may include and result in any of the following, or some combination thereof: (1) the reduction or cancellation of all, or a portion, of the Amounts Due on the Securities; (2) the conversion of all, or a portion, of the Amounts Due on the Securities into shares, other securities or other obligations of the Company or another Person (and the issue to or conferral on the Holder of any such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Securities; (3) the cancellation of the Securities; (4) the amendment or alteration of the maturity of the Securities or amendment of the amount of interest payable on the Securities, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and (ii) the variation of the terms of the Securities or the rights of the Holders thereunder or under the Indenture, if necessary, to give effect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority.

(b) By its acquisition of this Security, each Holder acknowledges and agrees that neither a reduction or cancellation, in part or in full, of the Amounts Due on the Securities or the conversion thereof into another security or obligation of the Company or another person, in each case as a result of the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Company, nor the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities shall: (i) give rise to a default or event of default for purposes of Section 315(b) (Notice of Default) and Section 315(c) (Duties of the Trustee in Case of Default) of the Trust Indenture Act of 1939, as amended (the "**Trust Indenture Act**"); or (ii) be a default or an Event of Default with respect to the Securities or under the Indenture. By its acquisition of this Security, each Holder further acknowledges and agrees that no repayment or payment of Amounts Due on the Securities shall become due and payable or be paid after the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority if, and to the extent that, such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

(c) By its acquisition of this Security, each Holder, to the extent permitted by the Trust Indenture Act, waives any and all claims, in law and/or in equity, against the Trustee for, agrees not to initiate a suit against the Trustee in respect of, and agrees that the Trustee shall not be liable for, any action that the Trustee takes, or abstains from taking, in either case in accordance with the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities. Additionally, by its acquisition of this Security, each Holder acknowledges and agrees that, upon the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities: (i) the Trustee shall not be required to take any further directions from the Holders

with respect to any portion of the Securities under Section 5.12 of the Indenture; and (ii) the Indenture shall not impose any duties upon the Trustee whatsoever with respect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority; *provided, however*, that notwithstanding the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities, so long as any Securities remain outstanding, there shall at all times be a trustee for the Securities in accordance with the Indenture, and the resignation and/or removal of the Trustee and the appointment of a successor trustee shall continue to be governed by the Indenture, including to the extent no additional supplemental indenture or amendment is agreed upon in the event the Securities remain outstanding following the completion of the exercise of the Spanish Bail-in Power.

(d) By its acquisition of this Security, each Holder shall be deemed to have authorized, directed and requested DTC and any direct participant in DTC or other intermediary through which it holds such Security to take any and all necessary action, if required, to implement the exercise of the Spanish Bail-in Power with respect to the Security as it may be imposed, without any further action or direction on the part of such Holder.

(e) Upon the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority with respect to the Securities, the Company or the Relevant Spanish Resolution Authority (as the case may be) shall provide a written notice to DTC as soon as practicable regarding such exercise of the Spanish Bail-in Power for purposes of notifying the Holders of such Securities. The Company shall also deliver a copy of such notice to the Trustee for information purposes.

(f) If the Company has elected to redeem the Securities but prior to the deposit, with the Trustee or with a Paying Agent as the case may be, of the Redemption Price with respect to such redemption the Relevant Spanish Resolution Authority exercises its Spanish Bail-in Power with respect to the Securities, the relevant redemption notice shall be automatically rescinded and shall be of no force and effect, and no payment of the Redemption Price (and any accrued interest and Additional Amounts payable under Article 11 of the Indenture) will be due and payable.

(g) Each Holder that acquires this Security in the secondary market or otherwise shall be deemed to acknowledge and agree to be bound by and consent to the same provisions specified herein and in the Indenture to the same extent as the Holders that acquire the Securities upon their initial issuance, including, without limitation, with respect to this paragraph.

TRUSTEE, PAYING AGENT, TRANSFER AGENT
AND REGISTRAR

Trustee

The Bank of New York Mellon, acting through its London Branch
One Canada Square,
London E14 5AL
United Kingdom

Security Registrar

The Bank of New York Mellon
101 Barclay Street
New York, New York 10286

Paying Agent and Transfer Agent

The Bank of New York Mellon, acting through its London Branch
One Canada Square,
London E14 5AL
United Kingdom

EXHIBIT C

FORM OF FACE OF GLOBAL SECURITY

No.

CUSIP NO.

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE THEREOF. UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR SECURITIES IN CERTIFICATED FORM, THIS SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITORY TRUST COMPANY (THE "DEPOSITORY") TO A NOMINEE OF THE DEPOSITORY OR BY THE DEPOSITORY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITORY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITORY. UNLESS THIS GLOBAL SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

This Security may not be offered or sold in the Kingdom of Spain by means of a public offer (as defined and construed by Spanish law) and may only be offered or sold in the Kingdom of Spain in compliance with the requirements of Royal Legislative Decree 4/2015 of October 23 (as amended from time to time) on the Spanish Securities Market and Royal Decree 1310/2005 of November 4, 2005 on listing in secondary markets, public offers and the prospectus required for those purposes.

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.
GLOBAL SECURITY

representing up to [Amount]

% Subordinated Securities Due

BANCO BILBAO VIZCAYA ARGENTARIA, S.A., a *sociedad anónima* organized under the laws of the Kingdom of Spain and having its registered office in the Kingdom of Spain (together with its successors and permitted assigns under the Indenture referred to on the reverse hereof, the "**Company**"), for value received, hereby promises to pay to Cede & Co., or registered assigns, the principal sum of on or on such earlier date as the principal hereof may become due in accordance with the provisions hereof.

[The Company further unconditionally promises, subject to paragraph 2(b) of the Terms and Conditions of the Securities referred to below and the [fifth] [sixth] immediately succeeding paragraph, to pay interest in arrears on and of each year (each an "**Interest Payment Date**"), commencing , 20 , and at maturity or redemption, on said principal sum at the rate of % per annum. Interest shall accrue from and including the most recent date to which interest has been paid or duly provided for, or, if no interest has been paid or duly provided for, from , 20 until payment of said principal sum has been made or duly provided for. The interest payable on any such and will, subject to certain conditions set forth in the Indenture referred to on the reverse hereof, be paid to Cede & Co., or registered assigns at the end of the close of business on the Regular Record Date for such interest which shall be the and (whether or not a Business Day), as the case may be, next preceding each such Interest Payment Date.]

[The principal of this Security shall not bear interest except in the case of a default in payment of principal upon acceleration, upon redemption or at Stated Maturity and in such case the overdue principal and any overdue premium shall bear interest at the rate of % per annum (to the extent that the payment of such interest shall be legally enforceable), from the dates such amounts are due until they are paid or made available for payment. Interest on any overdue principal or premium shall be payable on demand.]

This being the Global Security of a series (as defined in the Indenture referred to on the reverse hereof) deposited with DTC acting as depositary, and registered in the name of Cede & Co., a nominee of DTC, Cede & Co., as holder of record of this Global Security, shall be entitled to receive payments of principal and interest, other than principal and interest due at the maturity date, by wire transfer of immediately available funds.

Payment of interest (including Additional Amounts) on Global Securities will be made by wire transfer in immediately available funds to a U.S. dollar account maintained by the DTC with a bank in New York City.

Such payment shall be made in such coin or currency of as at the time of payment shall be legal tender for the payment of public and private debts.

The Company hereby irrevocably undertakes to the holder hereof to exchange this Global Security in accordance with the terms of the Indenture without charge upon request of such holder for Securities of the same series upon delivery hereof to the Trustee together with any certificates, letters or writings required in Section 3.03 of the Indenture.

Except as set forth in the immediately following paragraph, no reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this Security at the place, times, and rate, and in the currency, herein prescribed.

Notwithstanding any other term of the Securities (as defined on the reverse hereof), the Indenture or any other agreements, arrangements, or understandings between the Company and any Holder, by its acquisition of this Security, each Holder (including, for purposes of this paragraph, each holder of a beneficial interest in the Security) acknowledges, accepts, consents to and agrees to be bound by: (i) the exercise and effects of the Spanish Bail-in Power (as defined on the reverse hereof) by the Relevant Spanish Resolution Authority (as defined on the reverse hereof), which may be imposed with or without any prior notice with respect to the Security, and may include and result in any of the following, or some combination thereof: (1) the reduction or cancellation of all, or a portion, of the Amounts Due (as defined on the reverse hereof) on the Securities; (2) the conversion of all, or a portion, of the Amounts Due on the Securities into shares, other securities or other obligations of the Company or another person (and the issue to or conferral on the Holder of any such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Securities; (3) the cancellation of the Securities; (4) the amendment or alteration of the maturity of the Securities or amendment of the amount of interest payable on the Securities, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and (ii) the variation of the terms of the Securities or the rights of the Holders thereunder or under the Indenture, if necessary, to give effect to the exercise of the Spanish Bail-in Power by the Relevant Spanish Resolution Authority. The Holder shall not have any claim against the Company in connection with or arising out of any such exercise or variation.

[THIS SECURITY IS ISSUED WITH ORIGINAL ISSUE DISCOUNT FOR PURPOSES OF SECTIONS 1272, 1273 AND 1275 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, AND THE RULES AND REGULATIONS THEREUNDER. SOLELY FOR PURPOSES OF THESE ORIGINAL ISSUE DISCOUNT RULES, FOR EACH US$ 1,000 PRINCIPAL AMOUNT OF THIS SECURITY, (1) THE ISSUE PRICE IS US$ [ ]; (2) THE AMOUNT OF ORIGINAL ISSUE DISCOUNT IS US$ [ ]; (3) THE ISSUE DATE IS [ ]; (4) THE YIELD TO MATURITY IS [ ]%, COMPOUNDED [SEMI-ANNUALLY].][2]

Reference is made to the further provisions set forth under the Terms and Conditions of the Securities endorsed on the reverse hereof. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This Security shall not be valid or obligatory for any purpose until the certificate of authentication of this Security shall have been manually executed by or on behalf of the Trustee under the Indenture.

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[2] *Include for securities issued with more than de-minimis original issue discount for U.S. federal income tax purposes.*

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated: , 20

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

By: _____
Name:
Title:

CERTIFICATE OF AUTHENTICATION

This is the Global Security of a series designated herein referred to in the within-mentioned Indenture.

Dated:

The Bank of New York Mellon, as Trustee

By: _____
Authorized Signatory

EXHIBIT D

FORM OF TRANSFER OF

FOR VALUE RECEIVED, the undersigned hereby transfers to

_____

_____

(PRINT NAME AND ADDRESS OF TRANSFEREE)

principal amount of this Security, and all rights with respect thereto, and irrevocably constitutes and appoints as attorney to transfer this Security in the Security Register thereof, with full power of substitution.

Dated _____ _____
Certifying Signature

Signed _____

Security:

(i) The signature on this transfer form must correspond to the name as it appears on the face of this Security.

(ii) A representative of the Holder should state the capacity in which he or she signs (*e.g.*, executor).

(iii) The signature of the person effecting the transfer shall conform to any list of duly authorized specimen signatures supplied by the registered holder or shall be certified by a bank which is a member of the Medallion Program or in such other manner as the Paying Agent, acting in its capacity as transfer agent, or the Trustee, acting in its capacity as Security Registrar, may require.

Exhibit 5.1

28 July 2016

To:

Banco Bilbao Vizcaya Argentaria, S.A.
Plaza de San Nicolás, 4
48005 Bilbao
Spain

Re: Registration Statement on Form F-3 filed with the U.S. Securities and Exchange Commission by Banco Bilbao Vizcaya Argentaria, S.A.

Dear Sirs,

We have acted as Spanish legal counsel to Banco Bilbao Vizcaya Argentaria, S.A. ("**BBVA**"), a corporation (*sociedad anónima*) organized under the laws of the Kingdom of Spain in connection with the Registration Statement on Form F-3 (the "**Registration Statement**") filed by BBVA on the date hereof with the U.S. Securities and Exchange Commission (the "**Commission**") pursuant to the Securities Act of 1933, as amended (the "**Securities Act**"), for the registration of the offering from time to time in one or more offerings of:

(i) BBVA's ordinary shares, nominal value €0.49 per share (including ordinary shares represented by American Depositary Shares) and rights to subscribe ordinary shares;

(ii) BBVA's senior debt securities. which may be issued pursuant to a senior indenture dated as of 28 July 2016 among BBVA and The Bank of New York Mellon, as trustee (the "**BBVA Senior Debt Trustee**") (the "**BBVA Senior Debt Indenture**"); and

(iii) BBVA's subordinated debt securities, which may be issued pursuant to a subordinated indenture dated as of 28 July 2016 among BBVA and The Bank of New York Mellon, as trustee (the "**BBVA Subordinated Debt Trustee**" and, together with the BBVA Senior Debt Trustee, the "**Trustee**") (the "**BBVA Subordinated Debt Indenture**" and together with BBVA Senior Debt Indenture, the "**Indentures**").

1. SCOPE

1.1 Documents examined

For the purposes of issuing this legal opinion, we have reviewed and examined originals or copies certified or otherwise identified to our satisfaction, of the documents listed below, and made such inquiries with officers of BBVA as we have deemed necessary as a basis for the opinions hereinafter expressed:

a) a copy of the Registration Statement;

b) a copy of the BBVA Senior Debt Indenture;

c) a copy of the BBVA Subordinated Debt Indenture;

d) a photocopy of the merger deed granted on 25 January 2000 before the Notary Public of Bilbao Mr. José María Arriola y Arana, registered at the Mercantile Registry of Vizcaya in volume 3858, sheet 1, page number BI-17 A and entry 1035;

e) a copy of the articles of association (*estatutos*) of BBVA, as publicly available at the web page of BBVA (www.bbva.com) on 24 July 2016;

f) a copy of the resolutions passed by the Shareholders Meeting of BBVA on 16 March 2012 and 13 March 2015 and the Board of Directors of BBVA on 22 June 2016;

g) a copy of the public deed executed before the Notary Public of Madrid Mr. Ramón Corral Beneyto on 17 November 2011 under number 2.120 of his official records under which BBVA granted powers of attorney in favor of Mr. Erik Schotkamp, such deed being duly registered with the Commercial Registry of Vizcaya under Volume 5.249, Sheet 17, Page BI-17(A), entry n° 2.725;

h) an on-line excerpt (*nota simple telemática*) of the data filed at the Mercantile Registry of Vizcaya as of 26 July 2016, about BBVA; and

i) searches dated 26 July 2016, for BBVA on the website of the registers of the Bank of Spain, on the CNMV website and on the online Public Register of Insolvency Decisions (www.publicidadconcursal.es).

1.2 Limitations

a) Our opinion is limited in all respects to the laws of Spain in force as of the date hereof.

b) We do not express any opinion on the laws of any jurisdiction other than the laws of Spain in force as of the date hereof, on public international law or on the rules of or promulgated under or by any treaty organization.

c) Except where otherwise expressly stated in this opinion, we have not made any independent verification of any factual matters disclosed to us in the course of our examination for the purposes of rendering this opinion. We have relied as to factual matters on the documents and the information furnished to us by BBVA.

2. ASSUMPTIONS

For the purposes of this opinion we have assumed that:

a) All signatures and initials appearing in all documents examined in the course of our examination are genuine and such signatures are the signatures of the persons purported to have signed such documents; all documents submitted to us in the course of our examination as originals are authentic and complete and all documents submitted to us in the course of our examination as copies conform with authentic originals and are complete; all documents examined in the course of our examination and dated prior to the date of this opinion remain in effect and have not been amended as of that date; and the drafts of the documents reviewed are the same as the documents finally subscribed and approved;

b) BBVA has submitted to us all their relevant corporate records and proceedings, that such records and proceedings are truthful transcriptions of the resolutions passed, that they are validly executed, convened and held, and, where applicable, registered with the relevant registries;

c) All information regarding matters of fact rendered to us by BBVA as well as (when appropriate) by governmental officials or public registries, is accurate, complete, and up to date; and the information held at the Commercial Registry is assumed to be correct and valid pursuant to article 7 of the Commercial Registry Regulations (*Reglamento del Registro Mercantil*);

d) There is nothing under any law (other than the laws of Spain) that affects our opinion; in particular, we assume all necessary compliance with applicable laws of the United States of America and the several States thereof;

e) The absence of fraud and the presence of good faith on the part of BBVA;

f) The Trustee, is duly incorporated; validly exists under the laws of its country of incorporation at the time of execution of the Indentures; has the corporate power to enter into and perform as provided for under the Indentures; and has taken all necessary corporate action to authorize the execution, delivery and performance of the Indentures, and the obligations under the Indentures are valid and legal obligations binding on the Trustee (and are not subject to avoidance by any person) under all applicable laws and in all applicable jurisdictions (other than the laws of Spain) and insofar as any of such Indentures and other documents falls to be performed in any jurisdiction other than Spain its performance will not be illegal or ineffective by virtue of the laws of that jurisdiction;

g) The individuals that execute the Indentures other than individuals from BBVA have the power and capacity, and have been authorized by all necessary corporate action, to execute and deliver the Indentures;

h) The representations and warranties (other than any representations and warranties as to matters of law on which we are expressing opinion herein), if any, given by each of the parties to the Indentures and any ancillary certificate or confirmation are in each case true, accurate and complete in all respects;

i) Without having made any investigation, that the Indentures, governed by the laws of the State of New York, and any other applicable laws other than the laws of Spain, constitute legal, valid, binding and enforceable obligations to the respective parties thereto under such laws;

j) There are no contractual or similar restrictions binding on any person which would affect the conclusions of this opinion resulting from any agreement or arrangement not being a document specifically examined by us for the purposes of this opinion and there are no arrangements between any of the parties to the documents which modify or supersede any of the terms thereof (it being understood that we are not aware of the existence of any such agreement or arrangement);

k) Insofar as any obligation under the Indentures falls to be performed in, or is otherwise subject to, any jurisdiction other than the Kingdom of Spain, their performance will not be illegal or ineffective by virtue of any law of, or contrary to public policy in, that jurisdiction;

l) The Registration Statement has been filed with the Commission;

m) The aggregate principal amount of the debt securities to be issued pursuant to any Indenture and any supplemental indenture thereto does not exceed and will not exceed the maximum aggregate principal amount of debt securities authorized to be issued and/or guaranteed by BBVA, from time to time;

n) The aggregate principal amount of ordinary shares to be issued does not exceed and will not exceed the maximum aggregate principal amount of ordinary shares authorized to be issued by BBVA, from time to time;

o) The debt securities will be issued, executed, paid and delivered pursuant to the terms of the Indentures; and

p) With respect to any series of debt securities, a public deed of issuance (*escritura de emisión*) will be executed and registered with the Commercial Registry.

3. OPINION

Based upon and subject to the scope and limitations, assumptions and qualifications set forth herein and subject to any documents or events not disclosed to us in the course of our examination, we are of the opinion that:

3.1. In relation with the Spanish legal requirements:

a) BBVA is a limited liability company (*sociedad anónima*) duly incorporated and validly existing under the laws of the Kingdom of Spain and has the corporate power to, and has taken all necessary corporate action to, execute, deliver and file the Registration Statement.

b) When the issuance of new ordinary shares by BBVA pursuant to a capital increase has been duly authorized by a resolution of the General Shareholders' Meeting and, should it be the case, by the Board of Directors of BBVA as requisite corporate action on the part of BBVA and upon the disbursement of the new ordinary shares as resolved by the competent governing body of the company and compliance with any applicable securities law or regulation, a capital increase public deed shall be executed, registered at the Commercial Registry of Vizcaya and the new ordinary shares shall be recorded with the Spanish *Sociedad de Gestión de los Sistemas de*

Registro, Compensación y Liquidación de Valores, S.A. (IBERCLEAR). By effect thereof, the new ordinary shares will be duly authorized, fully paid, non assessable and validly issued under the existing laws of Spain.

c) Where a capital increase, that has been duly authorized by a resolution of the General Shareholders' Meeting and, should it be the case, by the Board of Directors of BBVA as requisite corporate action on the part of BBVA, involves the issuance of new ordinary or preference shares, the existing shareholders of BBVA shall be entitled to exercise, except as otherwise excluded by such corporate resolutions, within such period as may be granted to them for such purpose by the company's directors, which period shall not be less than fifteen (15) days from publication of the advertisement offering the new issue for subscription in the "Official Companies Registry Gazette", the right to subscribe for a number of shares proportional to the nominal value of the shares which they own. Therefore, upon the resolution of the correspondent body determining the period and compliance with applicable securities law or regulation, an advertisement offering the new issue for subscription in the "Official Companies Registry Gazette" shall be published and the rights shall be recorded with the Spanish *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.* (IBERCLEAR). By effect thereof, the rights will be duly authorized, fully paid, non-assessable and validly issued under the existing laws of Spain.

d) When the issuance of new senior debt securities by BBVA has been duly authorized by a resolution of the General Shareholders' Meeting and, should it be the case, by the Board of Directors of BBVA as requisite corporate action on the part of BBVA and upon the disbursement of the new senior debt securities and compliance with any applicable securities law or regulation, a public deed shall be executed and registered at the Commercial Registry of Vizcaya. By effect thereof, the new senior debt securities will be duly authorized, fully paid, non-assessable and validly issued under the existing laws of Spain, and, to the extent governed by the laws of Spain, valid and binding obligations of BBVA in accordance with their own terms.

e) When the issuance of new subordinated debt securities by BBVA has been duly authorized by a resolution of the General Shareholders' Meeting and, should it be the case, by the Board of Directors of BBVA as requisite corporate action on the part of BBVA and upon the disbursement of the new subordinated debt securities and compliance with any applicable securities law or regulation, a public deed shall be executed and registered at the Commercial Registry of Vizcaya. By effect thereof, the new subordinated debt securities will be duly authorized, fully paid, non-assessable and validly

issued under the existing laws of Spain, and to the extent governed by the laws of Spain, valid and binding obligations of BBVA in accordance with their own terms.

3.2. In relation with the Indentures:

a) BBVA has full power and capacity to enter into the Indentures, and to undertake and perform its obligations established thereunder.

b) BBVA has all requisite power and authority to enter into and perform its obligations under the Indentures and has taken all necessary actions to approve and authorize its delivery and performance.

c) The execution, delivery and performance by BBVA of its obligations under the Indentures does not require any consent, approval, authorization, registration or qualification of or with any other governmental or regulatory authority in Spain (except with respect to the issuance of securities contemplated under the Indentures, as detailed in section 3.1 of this opinion).

d) The execution and delivery of the Indentures and the compliance by BBVA of all its obligations arising thereunder and the consummation of the transactions therein contemplated and compliance with the terms thereof do not conflict with or result in a breach of:

(a) Any provision of its articles of association (*estatutos*);

(b) Any present law or regulation of Spain;

(c) Any judicial or administrative order binding on BBVA or its assets of which we are aware taking into account that no review or investigation on this subject has been performed;

(d) The principles of public policy (*orden público*) as these are construed in Spain as of the date of this opinion.

e) The Spanish courts will give effect to the choice of the State of New York law as the governing law of the aspects expressly stated into the Indentures subject to the terms and conditions of Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations (Rome I), and Regulation (EC) 864/2007 of the European Parliament and of the Council of July 11, 2007 (Rome II). The effectiveness of this choice is subject to the laws of the State

of New York being evidenced to the Spanish courts pursuant to article 281 of the Spanish Civil Procedural Law (*Ley de Enjuiciamiento Civil*) as further described below.

f) A judgment duly obtained in the courts of New York in connection with the Indentures will be recognized and enforceable, under the laws of Spain, against BBVA by the courts of Spain without a retrial or re-examination of the matters thereby adjudicated. The judicial courts of Spain will recognize and enforce, without re-examination of the merits of the case, as a valid judgment, any final judgment obtained against BBVA in respect of the Indentures, subject to full compliance with the requirements set forth in the international treaties that may be applicable from time to time and, as the case may be, Spanish Civil Procedural Law (*Ley de Enjuiciamiento Civil*). For the recognition and enforcement in Spain of a judgment or decision with executive force rendered by said courts, it will have to be submitted to the exequatur procedure, for which purpose the following requirements under Spanish Civil Procedural Law must be met: (i) the decision to be enforced must have been rendered as the result of the bringing of a personal action; (ii) the judgment must be final, sworn-translated into Spanish and apostilled, as the document to be enforced must meet the requirements for it to be considered authentic in the country where it was rendered and the requirements demanded by Spanish law for it to be considered sufficient evidence of the corresponding judgment or decision in Spain; (iii) the judgment shall not be contrary to Spanish public policy, it should not have been rendered in default, and the obligation whose performance is demanded must be lawful in Spain; (iv) there shall not be a judgment rendered between the same parties and for the same cause of action in Spain or in another country provided that in this latter case the judgment has been recognized in Spain; (v) where rendering the Judgment, the courts rendering it must have not infringed an exclusive ground of jurisdiction provided for in Spanish law or have based their jurisdiction on exorbitant grounds; and (vi) the rights of defense of the defendant should have been protected where rendering the Foreign Judgment, including but not limited to a proper service of process carried out with sufficient time for the defendant to prepare its defense.

4. QUALIFICATIONS

This opinion is subject to the following qualification:

a) Our opinion is subject to the effect of any applicable bankruptcy, temporary receivership, insolvency, reorganization, moratorium or any process affecting

creditors' rights generally, as well as to any principles of public policy (*orden público*), including the effect of the application to BBVA of any restructuring or resolution procedures undertaken under Law 11/2015 of June 18 on the recovery and resolution of credit institutions and investment services companies ("**Law 11/2015**"), and including, for the avoidance of doubt, any exercise by the Relevant Spanish Resolution Authority of the Spanish Bail-in Power (as these terms are defined in the Indentures).

It should be noted that according to articles 12.3 (related to the non- application of foreign laws contrary to public policy) and 12.4 of the Spanish Civil Code (whereby fraud of law will be considered when a conflict of law rule is used for the purpose of avoiding the application of a mandatory Spanish law) and related legislation, the laws other than those of Spain would not be applied by Spanish courts if submission to such laws is deemed to have been made in order to avoid the application of mandatory Spanish laws, or to be contrary to public policy.

b) The term "enforceable" means that the obligations assumed by the relevant party are of a type that the Spanish courts would enforce and it does not mean that those obligations will be necessarily enforced in all circumstances in accordance with their terms.

c) Spanish law precludes the validity and performance of contractual obligations to be left at the discretion of one of the contracting parties. Therefore, a Spanish court may not uphold or enforce terms and conditions giving discretionary authority to one of the parties.

d) A Spanish court might not enforce any provision which requires any party thereto to pay any amounts on the grounds that such provision is a penalty within the meaning of Articles 1152 et seq. of the Spanish Civil Code, which the court would consider said amounts obviously excessive as a pre-estimate of damages, in case of partial or non-regular compliance of the debtor. In this event, the Spanish court may reduce the amount of damages, pursuant to Article 1154 of the Spanish Civil Code.

e) Enforcement may be limited by the general principle of good faith; Spanish courts may not grant enforcement in the event that they deem that a right has not been exercised in good faith or that it has been exercised in abuse of right (*"abuso de derecho"*). Likewise and pursuant to article 6.4 of the Spanish Civil Code, acts carried out in accordance with the terms of a legal provision whenever said acts seek a result which is forbidden by or contrary to law, shall be deemed to have been executed in circumvention of law ("*fraude de ley*") and the provisions whose application was intended to be avoided shall apply.

f) Pursuant to the general principles of Spanish Civil Procedural Law (*Ley de Enjuiciamiento Civil*), the rules of evidence in any judiciary proceeding cannot be modified by agreement of the parties, and consequently, any provision of any agreement by which determinations made by the parties are to be deemed conclusive in the absence of error would not necessarily be upheld by a Spanish court.

g) Claims may be or become subject to defenses of set-off or counter-claim.

h) A waiver of all defenses to any proceedings may not be enforceable.

i) The admissibility as evidence before Spanish courts and authorities of any document that is not in the Spanish language requires its translation into Spanish. An official translation, made by a recognized Spanish official translator, may be required.

j) The ability to terminate an agreement is subject to judiciary review and the Spanish courts may provide for a different remedy for the non-defaulting party.

k) Enforcement of clauses providing for specific performance of an obligation may be replaced by Spanish courts with a monetary compensation.

l) Some of the legal concepts are described in English terms and not in their original terms. Such concepts may not be exactly similar to the concepts described in English terms. This opinion may, therefore, only be relied upon with the express qualification that any issues of interpretation of legal concepts arising hereunder will be governed by Spanish law.

This opinion is being furnished by us, as Spanish counsel to BBVA, to you as a supporting document in connection with the above referenced Registration Statement.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the references to us under the caption “Validity of the Securities” contained in the Prospectus included in the Registration Statement. By so consenting, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act of 1933.

Yours faithfully,

/s/ J&A Garrigues, S.L.P.

Exhibit 5.2

New York **Paris**
Menlo Park **Madrid**
Washington DC **Tokyo**
São Paulo **Beijing**
London **Hong Kong**

Davis Polk

Davis Polk & Wardwell LLP 91 768 9600 tel
Paseo de la Castellana, 41 91 768 9700 fax
28046 Madrid

July 28, 2016

Banco Bilbao Vizcaya Argentaria, S.A.
Calle Azul, 4
28050 Madrid
Spain

Ladies and Gentlemen:

Banco Bilbao Vizcaya Argentaria, S.A. ("**BBVA**"), a *sociedad anónima* organized under the laws of the Kingdom of Spain ("**Spain**"), is filing with the Securities and Exchange Commission a Registration Statement on Form F-3 (the "**Registration Statement**") and the related Prospectus (the "**Prospectus**") for the purpose of registering under the Securities Act of 1933, as amended (the "**Securities Act**"), (i) BBVA's ordinary shares, nominal value €0.49 per share (including ordinary shares represented by American Depositary Shares and rights to subscribe for ordinary shares), (ii) BBVA's senior debt securities (the "**Senior Debt Securities**"), which may be issued pursuant to a senior indenture dated as of July 28, 2016 among BBVA and The Bank of New York Mellon, as trustee, security registrar, transfer agent and paying agent (the "**Senior Debt Trustee**") (the "**Senior Debt Indenture**"), and (iii) BBVA's subordinated debt securities (the "**Subordinated Debt Securities**" and, together with the Senior Debt Securities, the "**Debt Securities**"), which may be issued pursuant to a subordinated indenture dated as of July 28, 2016 among BBVA and The Bank of New York Mellon, as trustee, security registrar, transfer agent and paying agent (the "**Subordinated Debt Trustee**" and, together with the Senior Debt Trustee, the "**Trustee**") (the "**Subordinated Debt Indenture**" and, together with the Senior Debt Indenture, the "**Indentures**").

We, as your counsel, have examined originals or copies of such documents, corporate records, certificates of public officials and other instruments as we have deemed necessary or advisable for the purpose of rendering this opinion.

In rendering the opinions expressed herein, we have, without independent inquiry or investigation, assumed that (i) all documents submitted to us as originals are authentic and complete, (ii) all documents submitted to us as copies conform to authentic, complete originals, (iii) all documents filed as exhibits to the Registration Statement that have not been executed will conform to the forms thereof, (iv) all signatures on all documents that we reviewed are genuine, (v) all natural persons executing documents had and have the legal capacity to do so, (vi) all statements in certificates of public officials and officers of BBVA that we reviewed were and are accurate and (vii) all representations made by BBVA as to matters of fact in the documents that we reviewed were and are accurate.

Based upon the foregoing, and subject to the additional assumptions and qualifications set forth below, we advise you that, in our opinion:

1. Assuming that (i) the Senior Debt Indenture and any supplemental indenture to be entered into in connection with the issuance of any Senior Debt Securities have been duly authorized, executed and delivered by BBVA and the Senior Debt Trustee, (ii) the specific terms of a particular series of Senior Debt Securities have been duly authorized and established insofar as Spanish law is concerned and in accordance with the Senior Debt Indenture and (iii) such Senior Debt Securities have been duly authorized, executed, authenticated, issued and delivered insofar as Spanish law is concerned and in accordance with the Senior Debt Indenture and the applicable underwriting or other agreement against payment therefor, such Senior Debt Securities (other than the terms governed by Spanish law, as to which we express no opinion) will constitute valid and binding obligations of BBVA, enforceable in accordance with their terms, provided that we express no opinion as to the validity, legally binding effect or enforceability of any provision that permits holders to collect any portion of stated principal amount upon acceleration of the Senior Debt Securities to the extent determined to constitute unearned interest.

2. Assuming that (i) the Subordinated Debt Indenture and any supplemental indenture to be entered into in connection with the issuance of any Subordinated Debt Securities have been duly authorized, executed and delivered by BBVA and the Subordinated Debt Trustee, (ii) the specific terms of a particular series of Subordinated Debt Securities have been duly authorized and established insofar as Spanish law is concerned and in accordance with the Subordinated Debt Indenture and (iii) such Subordinated Debt Securities have been duly authorized, executed, authenticated, issued and delivered insofar as Spanish law is concerned and in accordance with the Subordinated Debt Indenture and the applicable underwriting or other agreement against payment therefor, such Subordinated Debt Securities (other than the terms governed by Spanish law, as to which we express no opinion) will constitute valid and binding obligations of BBVA, enforceable in accordance with their terms, provided that we express no opinion as to the validity, legally binding effect or enforceability of any provision that permits holders to collect any portion of stated principal amount upon acceleration of the Subordinated Debt Securities to the extent determined to constitute unearned interest.

The above opinions are subject to the effects of applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, concepts of reasonableness and equitable principles of general applicability, and may be subject to possible judicial or regulatory actions giving effect to governmental actions or foreign laws affecting creditors' rights.

In connection with the opinions expressed above, we have assumed that at or prior to the time of the delivery of any Debt Security (i) the Board of Directors of BBVA shall have duly established the terms of such security and duly authorized the issuance and sale of such security and such authorization shall not have been modified or rescinded, (ii) BBVA and the Trustee is and shall remain, validly existing as a corporation under the laws of its respective jurisdiction of incorporation, (iii) the Registration Statement shall have become effective and such effectiveness shall not have been terminated or rescinded, (iv) the Debt Securities (other than as expressly covered above in respect of BBVA) and the Indentures are each valid, binding and enforceable agreements of each party thereto; and (v) there shall not have occurred any change in law affecting the validity or enforceability of such security.

We have also assumed that (i) the execution, delivery and performance by BBVA of any Debt Security whose terms are established subsequent to the date hereof are within their corporate powers, and (ii) none of the terms of any security to be established subsequent to the date hereof, nor the execution and delivery of such security by BBVA, nor the performance by BBVA with the terms of such security, will (a) contravene, or constitute a default under, the certificate of

incorporation or bylaws or other constitutive documents of BBVA, (b) require any action by or in respect of, or filing with, any governmental body, agency or official or (c) contravene, or constitute a default under, any provision of applicable law, regulation or public policy or any judgment, injunction, order or decree or any agreement or other instrument binding upon BBVA.

We express no opinion as to (i) any provisions in the Indentures that purport to waive objections to venue, claims that a particular jurisdiction is an inconvenient forum or the like, (ii) whether a United States federal court would have subject-matter or personal jurisdiction over a controversy arising under the Indentures or the Debt Securities or (iii) the effectiveness of any service of process made other than in accordance with applicable law.

We express no opinion as to (i) whether a New York State or United States federal court would render or enforce a judgment in a currency other than U.S. Dollars or (ii) the exchange rate that such a court would use in rendering a judgment in U.S. Dollars in respect of an obligation in any other currency.

We also express no opinion with respect to any provision of the Indentures or the Debt Securities giving effect to or providing for the exercise of the Spanish-Bail in Power by the Relevant Spanish Resolution Authority (as such terms are defined therein).

We are members of the Bar of the State of New York and the foregoing opinion is limited to the laws of the State of New York and the federal laws of the United States. Insofar as the foregoing opinion involves matters governed by the laws of Spain, we have relied, without independent inquiry or investigation, on the opinion of J&A Garrigues, S.L.P., Spanish legal counsel for BBVA, to be filed on the date hereof as an exhibit to the Registration Statement, and our opinion is subject to the qualifications, assumptions and limitations set forth therein.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement referred to above and further consent to the reference to our name under the caption “Validity of the Securities” in the Prospectus. In giving this consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,

/s/ Davis Polk & Wardwell LLP

Exhibit 12

STATEMENT REGARDING COMPUTATION OF RATIOS(1)(2)

	Three Months Ended March 31,	Year Ended December 31,				
	2016(3)	2015	2014	2013	2012	2011
Earnings	(in thousands of euros, except ratios)					
1 Income from continuing operations before taxes, adjustment for minority interest in consolidated subsidiaries or income or loss and dividends from equity investees	1,338,867	4,514,699	3,728,276	475,000	1,658,985	3,769,671
2 Add: Interest expenses and preferred dividend	622,776	2,502,576	2,475,993	3,582,256	5,211,821	5,781,535
3 Earnings excluding Interest on deposits	1,961,643	7,017,275	6,204,269	4,057,256	6,870,806	9,551,206
4 Add: Interest on deposits	1,839,387	5,641,035	5,318,431	5,842,547	5,729,255	5,053,090
5 Earnings including Interest on deposits	3,801,030	12,658,310	11,522,700	9,899,803	12,600,061	14,604,296
Fixed Charges						
6 Fixed Charges excluding Interest on deposits (Line 2)	622,776	2,502,576	2,475,993	3,582,256	5,211,821	5,781,535
7 Add: Interest on deposits (Line 4)	1,839,387	5,641,035	5,318,431	5,842,547	5,729,255	5,053,090
8 Fixed Charges including Interest on deposits	2,462,163	8,143,611	7,794,424	9,424,803	10,941,076	10,834,625
Consolidated Ratios of Earnings to Fixed Charges						
Including Interests on deposits (Line 5 / Line 8)	1.54	1.55	1.48	1.05	1.15	1.35
Excluding Interest on deposits (Line 3 / Line 6)	3.15	2.80	2.51	1.13	1.32	1.65

(1) For the purposes of calculating ratios of earnings to fixed charges, earnings consist of income before taxes for the period from continuing operations before adjustment for minority interest in consolidated subsidiaries or income or loss from equity investees and distributed income of equity investees, plus fixed charges. Fixed charges for these purposes consist of interest expenses from financial liabilities that include debt certificates, subordinated liabilities and deposits.

(2) In accordance with International Financial Reporting Standards adopted by the EU ("EU-IFRS") required to be applied under the Bank of Spain's Circular 4/2004 ("Circular 4/2004") and in compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS-IASB").

(3) Unaudited.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form F-3 of our reports dated April 6, 2016, relating to the consolidated financial statements of Banco Bilbao Vizcaya Argentaria, S.A. and subsidiaries composing the Banco Bilbao Vizcaya Argentaria Group (the "Group") and the effectiveness of the Group's internal control over financial reporting, appearing in the Annual Report on Form 20-F of Banco Bilbao Vizcaya Argentaria, S.A. for the year ended December 31, 2015, and to the reference to us under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

/s/ Deloitte, S.L.

Madrid, Spain

July 28, 2016

Exhibit 25.1

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

☐ **CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)**

THE BANK OF NEW YORK MELLON
(Exact name of trustee as specified in its charter)

New York	**13-5160382**
(Jurisdiction of incorporation if not a U.S. national bank)	**(I.R.S. employer identification no.)**
225 Liberty Street, New York, N.Y.	**10286**
(Address of principal executive offices)	**(Zip code)**

Legal Department
The Bank of New York Mellon
225 Liberty Street
New York, NY 10286
(212) 635-1270
(Name, address and telephone number of agent for service)

Banco Bilbao Vizcaya Argentaria, S.A.
(Exact name of obligor as specified in its charter)

Kingdom of Spain	**Not Applicable**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. employer identification no.)**
Calle Azul 4, **Madrid** **Spain**	
(Address of principal executive offices)	**28050** **(Zip code)**

Senior Debt Securities
(Title of the indenture securities)

1. General information. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Superintendent of the Department of Financial Services of the State of New York	One State Street, New York, N.Y. 10004-1417, and Albany, N.Y. 12223
Federal Reserve Bank of New York	33 Liberty Street, New York, N.Y. 10045
Federal Deposit Insurance Corporation	550 17th Street, N.W., Washington, D.C. 20429
The Clearing House Association L.L.C.	100 Broad Street, New York, N.Y. 10004

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act") and 17 C.F.R. 229.10(d).

1. A copy of the Organization Certificate of The Bank of New York Mellon (formerly known as The Bank of New York, itself formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits la and lb to Form T-1 filed with Registration Statement No. 33-21672, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637, Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152735).

4. A copy of the existing By-laws of the Trustee (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-207042).

6. The consent of the Trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-188382).

7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York Mellon, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on the 28th day of July, 2016.

THE BANK OF NEW YORK MELLON

By: /s/ Francine Kincaid
Name: Francine Kincaid
Title: Vice President

EXHIBIT 7

Consolidated Report of Condition of

THE BANK OF NEW YORK MELLON

of 225 Liberty Street, New York, N.Y. 10286
And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business March 31, 2016, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

	Dollar amounts in thousands
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	3,362,000
Interest-bearing balances	105,064,000
Securities:	
Held-to-maturity securities	40,919,000
Available-for-sale securities	72,835,000
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold in domestic offices	15,000
Securities purchased under agreements to resell	15,722,000
Loans and lease financing receivables:	
Loans and leases held for sale	352,000
Loans and leases, net of unearned income	33,841,000
LESS: Allowance for loan and lease losses	144,000
Loans and leases, net of unearned income and allowance	33,697,000
Trading assets	4,295,000
Premises and fixed assets (including capitalized leases)	1,047,000
Other real estate owned	5,000
Investments in unconsolidated subsidiaries and associated companies	518,000
Not applicable	
Intangible assets:	
Goodwill	6,334,000
Other intangible assets	1,011,000
Other assets	14,640,000
Total assets	299,816,000

LIABILITIES	
Deposits:	
In domestic offices	125,839,000
Noninterest-bearing	84,982,000
Interest-bearing	40,857,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs	124,022,000
Noninterest-bearing	8,334,000
Interest-bearing	115,688,000
Federal funds purchased and securities sold under agreements to repurchase:	
Federal funds purchased in domestic offices	8,182,000
Securities sold under agreements to repurchase	259,000
Trading liabilities	4,749,000
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	5,496,000
Not applicable	
Not applicable	
Subordinated notes and debentures	765,000
Other liabilities	7,430,000
Total liabilities	276,742,000
Not applicable	
EQUITY CAPITAL	
Perpetual preferred stock and related surplus	0
Common stock	1,135,000
Surplus (exclude all surplus related to preferred stock)	10,367,000
Retained earnings	12,675,000
Accumulated other comprehensive income	-1,453,000
Other equity capital components	0
Total bank equity capital	22,724,000
Noncontrolling (minority) interests in consolidated subsidiaries	350,000
Total equity capital	23,074,000
Total liabilities, minority interest and equity capital	299,816,000

I, Thomas P. Gibbons, Chief Financial Officer of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Thomas P. Gibbons,
Chief Financial Officer

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Gerald L. Hassell
Catherine A. Rein
Joseph J. Echevarria

Directors

Exhibit 25.2

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

☐ **CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY OF A TRUSTEE PURSUANT TO SECTION 305(b)(2)**

THE BANK OF NEW YORK MELLON
(Exact name of trustee as specified in its charter)

New York **(Jurisdiction of incorporation if not a U.S. national bank)**	**13-5160382** **(I.R.S. employer identification no.)**
225 Liberty Street, New York, N.Y. **(Address of principal executive offices)**	**10286** **(Zip code)**

Legal Department
The Bank of New York Mellon
225 Liberty Street
New York, NY 10286
(212) 635-1270
(Name, address and telephone number of agent for service)

Banco Bilbao Vizcaya Argentaria, S.A.
(Exact name of obligor as specified in its charter)

Kingdom of Spain **(State or other jurisdiction of incorporation or organization)**	**Not Applicable** **(I.R.S. employer identification no.)**
Calle Azul 4, **Madrid** **Spain** **(Address of principal executive offices)**	**28050** **(Zip code)**

Subordinated Debt Securities
(Title of the indenture securities)

1. General information. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Superintendent of the Department of Financial Services of the State of New York	One State Street, New York, N.Y. 10004-1417, and Albany, N.Y. 12223
Federal Reserve Bank of New York	33 Liberty Street, New York, N.Y. 10045
Federal Deposit Insurance Corporation	550 17th Street, N.W., Washington, D.C. 20429
The Clearing House Association L.L.C.	100 Broad Street, New York, N.Y. 10004

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the "Act") and 17 C.F.R. 229.10(d).

1. A copy of the Organization Certificate of The Bank of New York Mellon (formerly known as The Bank of New York, itself formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits la and lb to Form T-1 filed with Registration Statement No. 33-21672, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637, Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152735).

4. A copy of the existing By-laws of the Trustee (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-207042).

6. The consent of the Trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-188382).

7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York Mellon, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on the 28th day of July, 2016.

THE BANK OF NEW YORK MELLON

By: /s/ Francine Kincaid
Name: Francine Kincaid
Title: Vice President

EXHIBIT 7

Consolidated Report of Condition of

THE BANK OF NEW YORK MELLON

of 225 Liberty Street, New York, N.Y. 10286
And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business March 31, 2016, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

	Dollar amounts in thousands
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	3,362,000
Interest-bearing balances	105,064,000
Securities:	
Held-to-maturity securities	40,919,000
Available-for-sale securities	72,835,000
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold in domestic offices	15,000
Securities purchased under agreements to resell	15,722,000
Loans and lease financing receivables:	
Loans and leases held for sale	352,000
Loans and leases, net of unearned income	33,841,000
LESS: Allowance for loan and lease losses	144,000
Loans and leases, net of unearned income and allowance	33,697,000
Trading assets	4,295,000
Premises and fixed assets (including capitalized leases)	1,047,000
Other real estate owned	5,000
Investments in unconsolidated subsidiaries and associated companies	518,000
Not applicable	
Intangible assets:	
Goodwill	6,334,000
Other intangible assets	1,011,000
Other assets	14,640,000
Total assets	299,816,000

LIABILITIES	
Deposits:	
In domestic offices	125,839,000
Noninterest-bearing	84,982,000
Interest-bearing	40,857,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs	124,022,000
Noninterest-bearing	8,334,000
Interest-bearing	115,688,000
Federal funds purchased and securities sold under agreements to repurchase:	
Federal funds purchased in domestic offices	8,182,000
Securities sold under agreements to repurchase	259,000
Trading liabilities	4,749,000
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	5,496,000
Not applicable	
Not applicable	
Subordinated notes and debentures	765,000
Other liabilities	7,430,000
Total liabilities	276,742,000
Not applicable	
EQUITY CAPITAL	
Perpetual preferred stock and related surplus	0
Common stock	1,135,000
Surplus (exclude all surplus related to preferred stock)	10,367,000
Retained earnings	12,675,000
Accumulated other comprehensive income	-1,453,000
Other equity capital components	0
Total bank equity capital	22,724,000
Noncontrolling (minority) interests in consolidated subsidiaries	350,000
Total equity capital	23,074,000
Total liabilities, minority interest and equity capital	299,816,000

I, Thomas P. Gibbons, Chief Financial Officer of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Thomas P. Gibbons,
Chief Financial Officer

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Gerald L. Hassell
Catherine A. Rein
Joseph J. Echevarria

Directors