

AGENDA ITEM ONE. PROPOSED RESOLUTION

Approve the Financial Statements (balance sheet, income statement, statement of changes in net equity, cash flow statement and notes to financial statements) as well as the directors' report of Banco de Sabadell, S.A. and its consolidated group, all corresponding to the financial year ended on 31 December 2011; the management activities conducted by the Directors of Banco de Sabadell, S.A. during financial year from 1 January 2011 to 31 December 2011; and the proposal for allocation of income for that financial year, consisting of distributing the profits as follows

To voluntary reserves	128,147,526.98 euro
To legal reserve	26,370.03 euro
To reserves for investment in the Canary Islands	293,796.52 euro
To dividends	69,515,707.68 euro
Interim dividend paid on 6 September 2011	0.05 euro per share

JUSTIFICATION:

In accordance with the provisions of the Commercial Code, the Capital Companies Act and other applicable legal provisions, the Financial Statements and their various component documents were authorised by the Board of Directors at a meeting on 26 January 2012, on the basis of the proposal drawn up by the Bank's Executive Committee based on the separate and consolidated balance sheets and profit and loss accounts for the financial year 2011 presented and verified by the Bank's Audit and Control Committee.

The Directors' Report was also approved at that meeting and includes the Annual Corporate Governance Report approved by the Board of Directors on that date.

The proposal for the distribution of income was drawn up in accordance with the criteria set out in the notes to financial statements.

AGENDA ITEM TWO. PROPOSED RESOLUTION

Approve shareholder remuneration in addition to the 2011 dividend consisting of the distribution in kind of part of the issue premium through the delivery to shareholders of Banco de Sabadell, S.A. of shares of the Company which are held in treasury stock.

The remuneration to be delivered will be the equivalent of distributing €0.05 gross per qualifying share, i.e. a payment in kind out of the voluntary reserve consisting of the share issue premium amounting to at most €114,899,155.65.

For the purposes of this decision, the reference value of each share to be delivered will be the average of the weighted share price in the Sistema de Interconexión Bursátil (Spain's Electronic Market) in the five sessions prior to the date of the General Meeting, i.e. 31 May 2012 (the "**Reference Value**").

The number of shares to be delivered to each shareholder will be determined by the product of €0.05 and the shareholder's total number of shares divided by the Reference Value, rounded down to the nearest whole number, any excess ("**Excess**") resulting from such rounding being paid in cash to the shareholder.

The shares will be delivered on 8 June 2012 using the systems and mechanisms established by *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.* (IBERCLEAR); accordingly, shareholders of record of Banco de Sabadell, S.A. in the registers held by member entities of *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.* (IBERCLEAR) at the close of trading on 31 May 2012 will be entitled to collect the distribution in kind.

Banco de Sabadell, S.A., acting as Agent Bank for these purposes, will coordinate and perform with IBERCLEAR and its member entities the processes and transactions that are necessary or merely advisable to implement the distribution in kind, all in conformity with the procedure and terms set out in this decision and those which are established by the Board of Directors of Banco de Sabadell, S.A., as needed.

The shares delivered and the Excess paid in cash represent gross amounts and, accordingly, any withholdings and prepayments that may be required by law will be for the account of the shareholders. Shareholders will also be liable for any commissions or expenses that may be charged for the distribution by IBERCLEAR member entities or the depositories in accordance with current legislation. However, Banco de Sabadell, S.A. will not charge any commission to shareholders whose shares are deposited in the Banco Sabadell Group and are beneficiaries of this transaction.

JUSTIFICATION:

The proposed supplementary remuneration in the form of shares is consistent with the prudent, conservative risk management policy applied by the Bank in recent years, which has enabled it to maintain a sound balance sheet. What is proposed is an alternative remuneration system which enables shareholders to maintain their percentage stake in the Bank while also allowing the Bank to allocate a larger percentage of 2011 income to core capital, thus further strengthening and optimizing the Bank's capital structure.

AGENDA ITEM THREE. PROPOSED RESOLUTION

1. First motion under item three of the Agenda

Appoint, at the suggestion of the Nomination and Remuneration Committee and in accordance with the provisions of Article 51 of the Articles of Association, Mr. José Luís Negro Rodríguez, holding ID Card No. 38.993.549-Q, as a member of the Board of Directors for a period of five years, as an Executive Director. This appointment is made to fill the vacancy currently existing on the Board due to the resignation of Mr. Miguel Bósser Rovira.

JUSTIFICATION:

In accordance with the provisions of article 51, it is proposed to appoint Mr José Luis Negro Rodríguez, born on 22 December 1947 in Monterroso (Lugo), as a member of the Board of Directors for a five-year term. He holds a diploma in General Management from IESE. He has been Vice-secretary of the Board of Directors since 2006, and has held the posts of Comptroller-General, Secretary of the Executive Committee and Secretary of the Risk Oversight Committee. He is also a Director of the *Sociedad Rectora de la Bolsa de Valores de Barcelona* and a member of the Executive Board of *Centro de Cooperación Interbancaria*.

This appointment for Executive Director is made to fill the vacancy created on the Board following the resignation of Mr. Miguel Bósser Rovira. This is based on the proposal made to the Board of Directors by the Appointments and Remuneration Committee for the reasons (notably his professional capacity and his suitability for this position) and in line with the criteria set out in that Committee's report, which has been provided to the shareholders as part of the documentation on this agenda item.

2. Second motion under item three of the agenda

Re-appoint, at the proposal of the Appointments and Remuneration Committee and in accordance with the provisions of Article 51 of the Articles of Association, Mr. Héctor María Colonques Moreno, holding ID Card No. 18.829.062-C, as a member of the Board of Directors of Banco de Sabadell, S.A. for a period of five years, with the status of independent director.

JUSTIFICATION:

In accordance with the provisions of article 51, it is proposed to re-appoint Mr Héctor María Colonques Moreno as a member of the Board of Directors with the status of independent director since the term for which he was appointed has concluded. This is based on the proposal made to the Board of Directors by the Appointments and Remuneration Committee for the reasons (notably his professional capacity and his suitability for this position) and in line with the criteria set out in that Committee's report, which has been provided to the shareholders as part of the documentation on this agenda item.

3. Third motion under item three of the agenda

Appoint, at the proposal of the Appointments and Remuneration Committee and in accordance with the provisions of Article 51 of the Articles of Association, Ms María Teresa García-Milá Lloveras, holding ID Card No. 46.108.791-R., as a member of the Board of Directors of Banco de Sabadell, S.A. for a period of five years, with the status of independent director.

JUSTIFICATION:

In accordance with the provisions of article 51, it is proposed to re-appoint Ms María Teresa García-Milá Lloveras as a member of the Board of Directors with the status of independent director since the term for which she was appointed has concluded. This is based on the proposal made to the Board of Directors by the Appointments and Remuneration Committee for the reasons (notably her professional capacity and her suitability for this position) and in line with the criteria set out in that Committee's report, which has been provided to the shareholders as part of the documentation on this agenda item.

4. Fourth motion under item three of the Agenda

Re-appoint, at the proposal of the Appointments and Remuneration Committee and in accordance with the provisions of Article 51 of the Articles of Association, Mr Joan Llonch Andreu, holding ID Card No. 39.028.933-A, as a member of the Board of Directors of Banco de Sabadell, S.A. for another period of five years, with the status of independent director.

JUSTIFICATION:

In accordance with the provisions of article 51, it is proposed to re-appoint Mr Joan Llonch Andreu as a member of the Board of Directors for another period of five years with the status of independent director since the term for which he was appointed has concluded. This is based on the proposal made to the Board of Directors by the Appointments and Remuneration Committee for the reasons (notably his professional capacity and his suitability for this position) and in line with the criteria set out in that Committee's report, which has been provided to the shareholders as part of the documentation on this agenda item.

5. Fifth motion under item three of the Agenda

Re-appoint, at the proposal of the Appointments and Remuneration Committee and in accordance with the provisions of Article 51 of the Articles of Association, Mr José Permanyer Cunillera, holding ID Card No. 38.984.719-H, as a member of the Board of Directors for another period of five years, with the status of external director.

JUSTIFICATION:

In accordance with the provisions of article 51, it is proposed to re-appoint Mr José Permanyer Cunillera as a member of the Board of Directors with the status of external director since the term for which he was appointed has concluded. This is based on the proposal made to the Board of Directors by the Appointments and Remuneration Committee for the reasons (notably his professional capacity and his suitability for this position) and in line with the criteria set out in that Committee's report, which has been provided to the shareholders as part of the documentation on this agenda item.

AGENDA ITEM FOUR. PROPOSED RESOLUTION

1. First motion under item four of the Agenda

Amend the articles 1, 2, 12, 14, 21, 29, 35, 40, 41, 43, 51, 54, 59bis, 60, 71, 73, 74, 75, 78, 79, 80, 81, 82, 85, 88 and 93, subject to obtaining an necessary legal or regulatory authorisations. As a result of the amendments to the above-mentioned Articles of Association, to approve the consolidated text of the Company's Articles, which is attached as Annex I.

The objective of the amendment is to adapt the text of the Articles of Association to recent regulatory changes introduced by Act 25/2011, of 1 August, on the partial reform of the Capital Companies Act and the transposition of Directive 2007/36/EC of the European Parliament and of the Council, of 11 July, on the exercise of certain rights of shareholders in listed companies. References to numbers of articles in the Corporations Act will be replaced with the numbers corresponding to the articles in the Capital Companies Act, and wording will be improved. The new wording of the articles will be as follows:

Article 1. *In 1881 a loan company was set up under the name Banco de Sabadell, S.A. which shall be governed by these Articles and by the Spanish Capital Companies Act [Ley de Sociedades de Capital] and other applicable legal provisions.*

Article 2. *The Company's registered office is situated at Plaça de Sant Roc 20, Sabadell, and the Company may, by a resolution of the Board of Directors, establish branches, agencies or representative offices wherever appropriate, in Spain or other countries.*

The company's online presence will be its corporate website, www.grupobancosabadell.com.

Article 12. *The Bank may issue redeemable shares in accordance with the Capital Companies Act.*

Article 14. *Where shares are held under usufruct, the shareholder's rights shall vest in the bare owner, but the usufructuary shall be entitled to receive any dividends declared by the Company during the period of the usufruct. All other rights of the shareholder shall be vested in the bare owner.*

The usufructuary shall be obliged to enable the bare owner to exercise those rights.

Relations between the usufructuary and the bare owner shall be governed by the terms of the instrument under which the usufruct was established or, in

the absence of such instrument, by the Capital Companies Act and, in all other respects, by the applicable civil law.

Article 21. *The heirs or creditors of a shareholder shall not, with respect to any property or rights of the Company, have any rights other than those vested in the holders of shares by these Articles and shall be subject to the same obligations.*

This provision shall apply to the legal guardians and tutors of minors and incapacitated persons, insolvency administrators or receivers, representatives and any other persons collectively exercising the rights vested in shareholders under these Articles.

Article 29. *Any change in the characteristics of shares represented by book entries shall be published in the Official Bulletin of the Mercantile Register [Boletín Oficial del Registro Mercantil] and in one of the daily newspapers with the largest circulation in the province where the Company's registered office is situated, once the change has been formally registered in accordance with the Capital Companies Act and the securities market regulations.*

Article 35. *The Company may accept its own shares by way of pledge or security only in the ordinary course of the Bank's business, and in compliance with the requirement set out in Article 146.3 of the Capital Companies Act.*

Article 40. *There is no limit to the maximum number of votes that may be cast by a shareholder or the companies belonging to the same group.*

Article 41. *A Shareholders' Meeting may be Ordinary or Extraordinary, and shall be called by the Board of Directors.*

An Ordinary Shareholders' Meeting shall be held within the first six months of each financial year at such place, date and time as the Board of Directors shall determine, provided that it is held in the city of Sabadell; meetings may be adjourned for one or more consecutive days based on a proposal by the Board of Directors or at the petition of shareholders representing one-quarter of the capital present at the Meeting. Regardless of the number of sessions into which the Shareholders' Meeting is divided, it shall be treated as a single Meeting and only one set of minutes shall be drawn up.

The ordinary Shareholders' Meeting shall be asked to examine and approve the financial statements, directors' report, income statement and a statement of changes in net equity in the period, a cash flow statement, the balance sheet from the previous year, the proposal for the allocation of income and any other proposals that the Board of Directors decides to submit.

The ordinary Shareholders' Meeting shall also hear and consider any proposals from shareholders that are duly signed and presented within five days before the date of publication of the notice of the Meeting; any such proposal must be signed by shareholders representing at least five per cent of the paid-up share capital and be directly related to the business on the agenda or which should be on the agenda.

Once the items on the agenda have been dealt with, shareholders may put forward any motions they see fit and, if they are accepted by the Board of Directors, those motions shall be submitted either to the next Ordinary Shareholders' Meeting or to an Extraordinary Shareholders' Meeting, to be decided by the Board.

Article 43. *Notice of Shareholders' Meetings shall be given by means of an announcement published in the Official Bulletin of the Mercantile Register [Boletín Oficial del Registro Mercantil] and in one of the daily newspapers with the largest circulation in Spain not less than one month before the date on which the Meeting is scheduled.*

The notice must state all items of business on the Agenda. It must also state whether the meeting is ordinary or extraordinary, the name of the company, the date, location and time of the first call, and the post of the person or persons issuing the notice, and any other information required by the legislation in force.

The notice may also state a day, not less than twenty-four hours after the first call, on which, in the event of the Meeting not being quorate at first call, it may be held at second call.

Shareholders representing at least five per cent of the share capital may ask for a supplement to the notice of the Shareholders' Meeting to be published, adding one or more items to the Agenda, in accordance with the legislation in force.

The shareholders who wish to exercise that right must send certifiable notification to the company, to be received at the company's registered office within the five days following publication of the notice of meeting. The supplement must be published at least fifteen days prior to the scheduled meeting date.

As from the publication of the notice, an Electronic Shareholder Forum will be operational on the Company's website, which shareholders may access subject to the appropriate guarantees with a view to enabling communication between shareholders prior to the general meetings.

The Shareholders' Meeting shall be quorate at first call if the attendees who are present or represented hold at least twenty-five per cent (25%) of the subscribed voting capital. The Meeting shall be quorate upon second call regardless of the amount of capital in attendance.

Article 51. *The Board of Directors shall consist of a maximum of 15 and a minimum of 11 members, who must be shareholders, appointed by the Shareholders' Meeting for a term of five years, with the possibility of re-appointment, who shall not be required to provide guarantees other than as provided by article 54 of these Articles, and who shall faithfully perform their duties and represent the Company in a diligent and business-like way and shall not reveal any confidential information of which they become aware in the course thereof, even after they have ceased to hold office.*

On reaching the age of 70 years, a Director may complete his term of office in the post to which he has been appointed but may not be re-appointed.

Any vacancies arising on the Board of Directors shall be filled by the Shareholders' Meeting unless the Board decides, in the interests of the Company, to act in accordance Article 244 of the Capital Companies Act.

Shareholders acting collectively in the manner and in accordance with the requirements of article 243 of the Capital Companies Act shall be entitled to appoint the corresponding number of Directors.

A Director may be removed at any time by a resolution of the Shareholders' Meeting.

The position of Director is compatible with any other position or office in the Company.

Article 54. *Members of the Board of Directors are required to hold shares in the company amounting to at least one thousand euro of paid-in capital; they may not transfer or otherwise dispose of those shares until the financial statements for the last year in which they held office have been approved.*

Directors may be executive or non-executive.

Executive directors are directors who perform executive or managerial functions in the Bank or another company in its consolidated Group or who have entered into a contract of employment or a business or other contractual relationship with the Bank in addition to holding office as a Director.

A majority of the total number of directors must be external or non-executive. There should be a significant proportion of independent directors among the external or non-executive directors.

External or non-executive directors shall be considered as independent if:
1. They do not own more than 3% of the company's voting stock and do not represent a shareholder in that situation.

2. They have not, in the previous three years, held any executive post, including that of executive director, in the Bank or its consolidated group and were not its auditor.
3. They do not have family or professional ties with any executive director.

Independent directors may be released from the requirements established in the first paragraph of this Article by a resolution of the Board of Directors, subject to a prior report from the Appointments and Remuneration Committee, when their appointment is proposed to the Shareholders' Meeting, or in the event of co-optation as provided in article 244 of the Capital Companies Act and article 51 of these Articles of Association.

Article 59 bis. *In any event, an Audit and Control Committee shall be established consisting of not more than five non-executive directors appointed by the Board of Directors, which shall also appoint the committee's Chairman, subject to a favourable vote by two-thirds of its members.*

The Chairman may hold office for at most four years, and may only be re-elected after a one-year interval.

The Audit and Control Committee must meet at least once every three months, and whenever convened by the Chairman at his own initiative or at the request of any Committee member, or at the request of the Chairman of the Board of Directors or of the external auditors.

The Audit and Control Committee may require the attendance at its meetings of such executives, including executive directors, as it sees fit, to which end it shall notify the General Manager(s) to schedule their attendance.

The Audit and Control Committee has the following functions:

1. *Informing the Shareholders' Meeting on the questions raised by shareholders which fall within its scope of authority.*
2. *Supervising the effectiveness of the company's internal control system, internal audits, and any risk management systems, and discussing with the auditors the important weaknesses in the internal control system detected during the audit.*
3. *Overseeing the drafting and presentation of regulated financial information.*
4. *Proposing to the Board of Directors, for submission to the Shareholders' Meeting, the appointment of the external auditor, establishing the engagement conditions, the scope of the professional mandate, and revocation or non-renewal, if appropriate; reviewing compliance with the audit contract, striving to ensure that the opinion on the financial statements and the main content of the auditors' report are drafted clearly and accurately.*

5. *Advising on the annual, quarterly and half-yearly financial statements and the prospectuses that must be submitted to the regulatory or supervisory bodies, exercising vigilance to ensure compliance with the requirements of the law and the proper application of generally accepted accounting principles, and advising on proposals to amend those principles.*
6. *Establishing the appropriate relations with external auditors to receive information about any issues that could jeopardise their independence, to be reviewed by the Committee, and any others related to the process of performing the audit functions and in the audit rules.*
7. *Supervising the internal audit units, reviewing the appointment and removal of the head of internal audit.*
8. *Being apprised of the company's financial reporting process and internal control systems.*
9. *Liaising with the external auditors in order to receive information about matters that might jeopardise their independence and any other matters related to the audit process as well as other communications envisaged in the audit legislation and technical audit standards.*
10. *Advising on all matters within the scope of its functions that are referred to it by the Board of Directors.*
11. *All other functions attributed to it by law and by these Articles of Association and the regulations implementing them.*

The Audit and Control Committee shall draft an annual report on its activities, which shall be included in the Directors' Report referred to in article 77 of these Articles of Association.

Article 60. *Any claim against the directors may be exercised in accordance with articles 236 through 241 of the Capital Companies Act.*

Article 71. *The Shareholders' Meeting may, where it is in the Company's interests, override the pre-emptive subscription rights partly or wholly in accordance with the terms set out in the legislation in force.*

Article 73. *Adoption by the Shareholders' Meeting of a decision to reduce share capital shall be subject to the same requirements as an amendment of the Articles of Association.*

Any such decision by the Shareholders' Meeting shall indicate, at least, the amount by which the share capital is to be reduced, the purpose of the reduction, the procedure by which the Company shall carry it out, the time within which it shall be completed and any amount to be paid to shareholders.

Where the reduction will result in cancellation of shares by reimbursement of shareholders and the reduction does not apply equally to all shares, the decision shall require a majority vote of the shareholders concerned, as provided by article 63 of these Articles and article 293 of the Capital Companies Act.

Article 74. Any decision to reduce share capital must be published in the Official Bulletin of the Mercantile Register and on the Company's website or in one of the newspapers with the largest circulation in the province.

Article 75. Where a reduction in share capital is to be effected via a buyback and cancellation of shares by the Company, the offer must be made to all shareholders by registered letter, which shall include all information reasonably necessary to shareholders wishing to sell, indicating any consequences if the number of shares tendered for sale falls short of the number specified in the decision; any such offer shall remain open for one month after the date of any review of the situation.

If the number of shares tendered exceeds the number specified by the Company, the number tendered by each shareholder shall be reduced in proportion to the number of shares they own.

Save as otherwise provided in the Shareholders' Meeting's decision or in the tender offer, if the number of shares tendered for sale fails to reach the specified number, the share capital shall be deemed to have been reduced by the amount corresponding to the shares actually purchased.

All shares purchased by the Company must be cancelled within one month from the deadline for tendering.

Article 78. The financial statements shall comprise the Balance Sheet, the Profit and Loss Account, a statement of changes in equity, a cash flow statement, and Notes to the financial statements.

These documents, which form a single unit, shall be written clearly and shall reflect a true image of the Company's net worth, financial situation and results in accordance with the provisions of the Capital Companies Act and of the Code of Commerce.

Article 79. The financial statements and the directors' report must be audited.

The persons responsible for auditing the accounts shall be appointed by the Shareholders' Meeting before the end of the year to be audited, for an initial period which shall not be less than three nor more than nine years from the date on which the first financial year to be audited began. The auditors may be reappointed by the Shareholders' Meeting annually after the end of the initial period.

The Shareholders' Meeting may appoint one or more natural or legal persons, who shall act jointly. Where the appointees are natural persons, the Shareholders' Meeting must appoint both auditors and substitutes.

The Shareholders' Meeting may not terminate the engagement of the auditors before the end of the period for which they were appointed or before

the completion of any of the audits which they were hired to do, without just cause.

Article 80. *The financial statements require approval by the Shareholders' Meeting.*

Once notice has been given of a Shareholders' Meeting, any shareholder may obtain from the Company, immediately and free of charge, all documents to be submitted to the meeting for its approval, including the director's report and the auditor's report.

This right shall be clearly stated in the notice.

Article 81. *From gross revenues there shall be deducted the general expenses, interest, bonuses, appropriations made by the Board for depreciation and amortisation, any provisions considered necessary and any other amount that results in a reduction in the Bank's assets.*

Any remaining amount shall be considered as net profit, from which a deduction shall be made for Directors' remuneration consisting of a share in the profits which shall not exceed 3% of the that net profit, and the Board shall have wide powers within that limit to set their annual remuneration and to distribute it among the members of the Board and any Honorary Directors, provided that appropriations have been made to Obligatory Reserves and a 4% dividend for shareholders has been declared.

Directors carrying out executive functions may also, subject to a decision by the Shareholders' Meeting as required by the Capital Companies Act, participate in incentive schemes approved for the Bank's executives that consist of payments in the form of shares, stock options, or remuneration linked to the share value.

After making deductions for tax and provisions to reserves as required by law, the Shareholders' Meeting shall, based on a proposal from the Board of Directors, decide what part of any remaining profit is to be distributed to shareholders as dividends and how much is to be appropriated to voluntary reserves or otherwise appropriated or employed in such manner as it may determine.

Article 82. *The Shareholders' Meeting shall resolve upon the application of the results for the year as shown in the approved balance sheet.*

Once all appropriations required by law or the Articles of Association have been covered, dividends may only be paid out of the year's profits or unrestricted reserves if such distribution does not reduce the accounting net worth to below the amount of share capital.

If, as a result of previous years' losses, the accounting net worth is less than the share capital, profits must be assigned first to offset such losses.

Article 85. *An interim dividend may only be declared by the Shareholders' Meeting or by the Directors under the following conditions:*

- a) *The Directors shall draw up an accounting statement showing that there are sufficient liquid funds available for distribution. The statement shall subsequently be included in the notes to financial statements.*
- b) *The amount for distribution shall not exceed the profits obtained since the end of the last financial year after deducting prior years' losses and making the appropriations to reserves that are obligatory under the law or the Articles of Association, and the estimated tax payable on such profits.*

Article 88. *The Extraordinary Shareholders' Meeting at which a resolution is adopted to wind up the Company shall also adopt resolutions for the appointment of liquidators, who shall act in accordance with the Capital Companies Act and any instructions from the Meeting.*

Article 93. *For all matters not provided for in these Articles, the provisions of the Capital Companies Act shall apply.*

JUSTIFICATION:

The Board of Directors proposes that the General meeting amend a number of articles to adapt their wording to Act 25/2011, of 1 August, on the partial reform of the Capital Companies Act and the transposition of Directive 2007/36/EC, of European Parliament and of the Council, on 11 July, on the exercise of certain rights of shareholders in listed companies, and the modifications deriving from the entry into force on 1 July 2011 of article 527 of the Capital Companies Act, renumbered by article 2.2. of Act 25/2011 (previously article 515). Additionally, the Articles will be adapted to the reform introduced by Act 12/2010, of 30 June, which amends Act 19/1998, of 12 July, on Auditing, Act 24/1998, of 28 July, on the Securities Market, and the consolidated text of the Corporations Act approved by Legislative Royal Decree 1564/1989, of 22 December, to adapt them to EU regulations.

This adaptation of the Articles will also eliminate references contained in various articles of the Articles of Association in force to articles in the Corporations Act, replacing them with the articles in the Capital Companies Act, and also improving their wording.

2. Second motion under item four of the Agenda

Amend articles 6, 8, 9, 10, 13, 14 and 17 of the Regulations of the Shareholders' Meeting, so that they have the following wording:

6. Types of Meetings

1. *General Meetings may be ordinary or extraordinary.*
2. *An Ordinary General Meeting shall be that which meets within the first six months of each business year for the examination and approval of the notes to the financial statements, the management report, the profit and loss accounts, the balance sheet of the previous business year, the statement of changes in equity, a cash flow statement, the proposal for the distribution of profits, and any other proposals the Board of Directors may present.*
3. *Any other General Meeting shall be considered as extraordinary.*

7. Publication of the Notification

1. *Notifications shall be made by means of an advertisement published in the Bulletin of the Trade Register and in one of the newspapers of greatest circulation in Spain, the website of the National Securities Market Commission and the website of the Company, at least one month in advance of the date set for the Meeting, whenever the Law or the Bylaws do not establish a longer timeline.*
2. *Announcements of notifications shall reflect place, date and time of meeting, for both first and second call - between which the minimum interval provided for in the Corporate Bylaws and the applicable regulations should be observed - all the matters reflected in the meeting agenda; requirements for attendance to the General Meeting; content and modalities for the exercise of shareholders' rights to information, and the list of the documents placed at their disposal.*
3. *Shareholders representing at least five per cent of the corporate capital may request that an addendum to the notification of the General Meeting of Shareholders be published to include one or more points of the Agenda. The shareholders who wish to exercise that right must send certifiable notification to the company, to be received at the company's registered office within the five days following publication of the notice of meeting. The addendum to the call must be published fifteen days in advance of the date set for holding the Meeting.*
4. *Without prejudice to what is set forth in Articles 46 and 47 of the Corporate Bylaws, shareholders may have access over the corporate website to the content of the documents placed at their disposal, as well as to the literal content of the resolutions proposed and their justification submitted by the Board of Directors for the approval of the General Meeting concerned.*

As from the publication of the notice, an Electronic Shareholder Forum will be operational on the Company's website, which shareholders may access subject to the appropriate guarantees with a view to enabling communication between shareholders prior to the general meetings.

8. Proposals for Resolution Presented by Shareholders

- 1. Shareholders representing at least five per cent (5%) of the paid-up corporate capital may present duly signed proposals for resolution, provided that such proposals are directly related to items on the agenda or that should be on the agenda.*
- 2. These proposals must be presented at least 5 days before the date set for holding the General Meeting and shall be qualified by the Board of Directors within the 48 hours following their receipt. Should these meet the requirements demanded by the present precept, the Board of Directors shall proceed to the reading of such proposals at the pertinent point of the agenda, along with the proposal for resolution prepared by the Board of Directors itself. Where the proposals are contradictory, the approval by the General Assembly of the proposal presented by the Board of Directors shall simultaneously imply the rejection of the alternative proposal(s). Should both proposals be complementary, they shall be submitted separately and successively to a vote, beginning with the proposal formulated by the Board of Directors.*
- 3. Should the Board of Directors reject a proposal for resolution presented by the shareholders as not being considered directly related to the agenda, the rights corresponding to the shareholders may be freely exercised by them.*
- 4. The Board of Directors shall see to it that proposals for resolution formulated by shareholders may also be presented over the corporate website, through which same means the Board of Directors may communicate its decision regarding their acceptance or rejection to the signatory shareholders and, as applicable, inform the other shareholders of their content, without prejudice to the guarantees of authenticity and security.*

10. The Right to Attendance and Representation

- 1. Shareholders holding shares representing at least one hundred (100) euro of paid-up corporate capital registered in the Register of Shareholders of the Company five days prior to the date of a Shareholders' General Meeting at the first call shall have the right to attend it. Shareholders holding shares that do not come up to the minimum expressed may group together to constitute the minimum and delegate their representation to any of their members or, as applicable, to another shareholder who, in keeping with what is set forth in the Corporate Bylaws and in the present Regulations, has the right to attend the Meeting.*

2. *For admission to the General Meeting, shareholders with the right to attend must request the pertinent admission or attendance card from the Secretariat up to five days before the date on which the Meeting is held at the first call; this shall be issued in their name and shall be personal in character. Without prejudice to the shareholder's request, in order to facilitate his/her participation in the General Meeting, the Board of Directors may send all the registered shareholders the aforementioned admission card, entitling the bearer to attend under the terms set forth in the Corporate Bylaws and in the present Regulations.*
3. *The attendance card shall reflect the number of votes corresponding to the holder thereof, to the proportion of one vote for each one hundred (100) euro of paid-up corporate capital in shares of any of the series or types that s/he holds or represents.*
4. *The right to attend and the corresponding right to vote may be exercised by the shareholder personally or by delegation. Holders of a general power of attorney for the shareholder in the form of a public instrument with the power to administer all of the shareholder's assets in Spanish territory are also entitled to represent the shareholder. Minors must be represented by their guardians or legal representatives, and corporations or companies shall be represented by those who exercise their legal representation, the person holding such representation being obliged to specify this.*
5. *The delegation of the right to attend and the right to exercise the corresponding vote should be reflected at the bottom or on the back of the attendance card. Likewise, this card must contain or be attached to the Agenda. Proxies must be signed by the shareholder, provided that the shareholder's signature is authenticated or is recognized by the Bank. The shareholder may formulate express instructions regarding the content of his/her vote for each of the points on the Agenda. The absence of express instructions shall empower the representative to exercise such right to vote under the terms that s/he freely decides.*
6. *Should a shareholder send the company an attendance card with duly signed proxy to vote without reflecting the name of the proxy, the representation conferred by the shareholder shall be exercised by the Chairman of the Board of Directors and, should this not be a shareholder, by any Board Member who holds such status.*
7. *Without prejudice to the provisions of Article 187 of the Capital Companies Act, a proxy issued as indicated in the preceding point or to the Board of Directors or its Chairman without express voting instructions will be understood to vote in favour of the proposals made by the Board of Directors.*
8. *When, in the judgement of the Board of Directors, the guarantees of authenticity and necessary legal security exist, mechanisms for delegation through electronic media may be made available.*

Shareholders who have made use of the delegation of vote by electronic systems may express the direction of their vote for each of the points on the Agenda, by this same medium.

- 9. Proxies or delegations shall be conferred with special character for each Meeting, shall only be valid for the same meeting, and may always be revoked. The personal attendance of the represented party at the Meeting shall be considered a revocation.*
- 10. The company's board members and consultants and all those other persons that the Chairman of the Meeting may consider convenient may attend the General Meetings with a voice and without a right to vote.*
- 11. The members of the Board of Directors and, as applicable, the Secretary or Deputy Secretary who is not a board member must attend the General Meetings held by the Company.*
- 12. Likewise, the external Auditors of the company must attend Ordinary General Meetings and those other meetings in which the Board of Directors consider their presence necessary, owing to the proposals submitted for approval by the Assembly.*

13. Progress of the Meeting

- 1. Once the Meeting has been constituted, this may begin with an intervention from the Chairman of the Board of Directors setting forth the general lines of progress of the Bank and its projects for the future to the attendees, all this with express reference to the general context in which the activity of the group has taken place.*
- 2. When, as applicable, the intervention of the Chairman of the Board of Directors has finished, the Chairman, in Ordinary General Meetings, shall cede the floor to the Board Member who is to present the annual accounts and the other documents making up the point of the Agenda concerning the approval of these. Shareholders may address questions to the Audit Committee so that it may report on the matters of its competence.*
- 3. The Secretary of the Meeting shall proceed to read each of the proposals for resolution submitted for voting to the General Assembly. This latter may relieve the Secretary from the said duty if the proposal for resolution has been placed at the disposal of the shareholders with sufficient time in advance and the Assembly itself considers the full reading of the proposal referred to as unnecessary.*
- 4. Before submitting each resolution proposal included in the Agenda to a vote, there shall be an interval for questions so that the shareholders may obtain complementary information or the clarifications they deem necessary in relation to the points on the Agenda or make proposals. During this same interval, response must be given to the questions formulated by the shareholders, in writing and prior to the holding of the General Meeting. However, the directors shall not be obliged to respond to specific questions from shareholders where the information sought is already clearly and*

directly available to all shareholders on the company's website in a question and answer form.

Any shareholder who wishes to request that their intervention is recorded literally in the Minutes of the Meeting must submit it at this time in writing to the Notary taking part, so that he/she may check it when the intervention of same takes place.

The Board is obliged to provide the information requested by the shareholders in their written or verbal petitions, unless in the judgement of the Chairman of the Meeting, the revelation of the data requested is damaging to corporate interests. This exception shall not be admissible if the petition is supported by shareholders representing at least one fourth of the corporate capital.

5. *The Board will establish the order of intervention of the shareholders. All interventions of shareholders must be allocated the same time, which shall be set initially by the President, who will ensure that it is equal for everyone.*

In virtue of the powers held by the Chairman, he/she may:

- a) *extend the time initially allocated to each shareholder for their intervention, if he/she sees fit.*
 - b) *ask the shareholders intervening for clarifications or extensions of questions that they have raised and that have not been sufficiently explained or understood during the intervention.*
 - c) *remind shareholders addressing the Meeting of the need to confine their remarks to matters pertaining to the Meeting.*
 - d) *warn the shareholders intervening that they may not exercise their right of intervention in an abusive manner.*
 - e) *indicate to the shareholders intervening that they are near the end of the time for their intervention, if appropriate, withdrawing the right to speak from any shareholders who do not respect the time for intervention allocated or who alter the proper order of the progress of the Meeting.*
6. *Once the round of questions has finished in the opinion of the Chairman, the Assembly shall proceed to vote upon the pertinent resolution proposal, for which purpose the procedure shall begin with the expression of the votes contrary to the proposal. Next, abstentions shall be counted, and lastly, it shall be understood that the remaining votes are affirmative. In order to count the votes, the Board of Directors may resort to reliable information systems that may be examined by any shareholder with voting rights.*
 7. *If the affirmative votes are manifestly sufficient to approve the proposal for resolution concerned, the Chairman shall declare it approved, without prejudice to the reflection of the exact result of the vote in the minutes. Only the proposals reflected in the minutes as approved shall be understood as conclusively approved.*
 8. *In no case shall the Chairman permit any further intervention once the voting on each resolution proposal has begun.*

14. On Voting

1. *Resolution proposals shall be approved by the simple majority of valid votes cast where the Corporate Bylaws or the laws do not provide for a special or reinforced majority.*
2. *In General Meetings held with the attendance of shareholders representing less than fifty per cent (50%) of the subscribed capital with voting rights, the resolutions referred to in Article 44 of the Corporate Bylaws and Article 12.4 of the present Regulations may only be validly adopted if the votes in favour are at least two thirds of the votes validly cast.*
3. *Whenever possible, the Board may arrange for voting mechanisms by post or through the use of electronic systems, with the necessary guarantees for legal security and for the authenticity of the expressed will of shareholders.*

17. Final Provision

The Corporate Bylaws and the Capital Companies Act shall apply to all matters not provided for under this Regulation.

JUSTIFICATION:

The amendments proposed to articles 6, 7, 8, 10, 13, 14 and 17 of the Regulations of the Shareholders' Meetings are directly attributable to the amendment of the Articles proposed to the General Meeting and arise from the need to adapt the articles in this Regulation to the new wording of the Articles of Association and to the recent changes in legislation; since the objective of the Regulations of the Shareholders' Meeting is to establish the principles of action for the Shareholders' Meeting of Banco de Sabadell, S.A. and the basic rules for its transaction, with a view to guaranteeing shareholders' rights and transparency, they must reflect any change to the Articles of Association that affects the content of the Regulations.

3. Third motion under item four of the Agenda

The Shareholders' Meeting discloses that the Board of Directors of the Bank, at its 26 April 2012 meeting, resolved to amend articles 13, 15 and 19 of the Regulations of the Board of Directors.

The above-mentioned articles will have the following wording:

ARTICLE 13. THE COMMITTEE ON AUDIT AND INSPECTION

- 1. The Committee on Audit and Inspection shall be composed of a maximum of five members appointed by the Board of Directors, which shall appoint its Chairman with the favourable vote of two thirds of its members. At least one of the members of this Committee will be appointed in consideration of his/her expertise in accounting, auditing, or both. Other Board members may be appointed with the right to attend but not vote in order to fill temporary or permanent vacancies. The Chairman of the Committee on Audit and Inspection shall exercise his/her office for a maximum term of four years, and may not be re-elected before an interval of one year has elapsed from his/her removal. The Board of Directors shall likewise appoint the Secretary of the Committee, who may not be a Board Member.*
- 2. Executive directors and directors who have formerly been executives may not be members of this Committee.*
- 3. The Audit and Control Committee will meet at least once every three months and whenever convened by the Chairman at his own initiative or at the request of any member of the Committee or of the external auditor.*
- 4. Meetings of the Audit and Control Committee will be minuted by the Secretary designated by the Board of Directors. Account shall be given of the content of the said meetings to the Board of Directors at its subsequent meeting, through the reading of the minutes drawn up at each meeting.*
- 5. The Audit and Control Committee may require that any executive that it sees fit, including executive directors, attend its meetings, for which purpose it will notify the General Manager(s) to schedule their attendance.*
- 6. The Audit and Control Committee has the following functions:*
 - a) Informing the Shareholders' Meeting on the questions raised by shareholders which fall within its scope of authority.*
 - b) Supervising the effectiveness of the company's internal control system, internal audits, and any risk management systems, and*

discussing with the auditors the important weaknesses in the internal control system detected during the audit.

- c) Overseeing the drafting and presentation of regulated financial information.*
 - d) Proposing to the Board of Directors, for submission to the Shareholders' Meeting, the appointment of the external auditor, establishing the engagement conditions, the scope of the professional mandate, and revocation or non-renewal, if appropriate; reviewing compliance with the audit contract, striving to ensure that the opinion on the financial statements and the main content of the auditors' report are drafted clearly and accurately.*
 - e) Advising on the annual, quarterly and half-yearly financial statements and the prospectuses that must be submitted to the regulatory or supervisory bodies, exercising vigilance to ensure compliance with the requirements of the law and the proper application of generally accepted accounting principles, and advising on proposals to amend those principles.*
 - f) Establishing the appropriate relations with external auditors to receive information about any issues that could jeopardise their independence, to be reviewed by the Committee, and any others related to the process of performing the audit functions and in the audit rules.*
 - g) Advising on all matters within the scope of its functions that are referred to it by the Board of Directors.*
 - h) All other functions assigned to it by law or by **these Articles of Association** and the regulations implementing them, and those deriving from the generally-applicable corporate governance standards.*
- 7. The Audit and Control Committee will draft an annual report on its activities, which must be included in the Directors' Report referred to in article 77 of the Articles of Association.*

ARTICLE 15. COMMITTEE ON RISK CONTROL

- 1. The Committee on Risk Control shall be composed of five Board Members appointed by the Board itself. The General Manager(s), Head of Risk and Head of Corporate Banking and any other employees called on at the proposal of any Director or by the General Manager(s) to present specific points about risks or investments, risk control and measurement systems, ratings, scoring, etc. shall also attend the*

meetings. The Board Member appointed by the Board of Directors shall assume the Chairmanship.

2. *It shall fall to the Committee on Risk Control to:*
 - a) *determine and propose global risk levels by country, economic sector and type of risk to the Plenary Committee for its approval;*
 - b) *determine and propose to the Plenary Committee the application of maximum risk levels for individualized operations with credit institutions and customers, as well as for the determination of maximum risk by portfolios or individualised investments in public funds, shares, bonds, options, swaps and, in general, all types of instruments or securities involving bankruptcy, investment, interest or liquidity risks for the Group;*
 - c) *determine and propose to the Plenary Committee annual limits of investment on the real estate market, as well as the criteria and volumes applicable to the different types of this investment;*
 - d) *determine and propose to the Plenary Committee the delegations that it deems pertinent for the approval and assumption of individualized risks within the limits referred to in the preceding sections;*
 - e) *decide on those individual risks reserved for the approval of the Committee on Risk Control in accordance with the delegations established as set forth in the preceding sections;*
 - f) *monitor and control the correct application of the delegations established in letter d);*
 - g) *report on a monthly basis to the Plenary Board on the development of its functions, in accordance with this article and other legal provisions or provisions of **these Articles**, as applicable;*
 - h) *report on a quarterly basis to the Plenary Board regarding the levels of risk assumed, the investments made and the evolution thereof, as well as the repercussions that could arise for the Group income due to variations in interest rates and their adjustment to the VAR approved by the Board itself;*
 - i) *submit to the Board, for prior approval, any variation of the limits referred to in letters a) and b) that respectively exceed 10% and 20% of the authorized variations, and*
 - j) *report to the Appointments and Remuneration Committee as to whether the employee compensation programs are coherent with the Bank's levels of risk, capital and liquidity.*
3. *The Committee on Risk Control shall meet at least once a month, and whenever called by its Chairman, at his/her own initiative or that of any member of the Committee, or at the request of the Chairman of the Board of Directors.*
4. *The Secretary of the Committee shall be the person appointed by the Board of Directors, whether a Board Member or not. The Board shall also determine the person who is bound to substitute him/her in the event of absence or illness.*

ARTICLE 19. APPOINTMENT OF BOARD MEMBERS

1. *The Board Members shall be appointed by the General Assembly or by the Board of Directors in accordance with the provisions contained in the Capital Companies Act and in the Articles of Association.*
2. *The Board Members appointed must meet the requirements stipulated by the Articles of Association for the exercise of the office and may not incur in any reason legally established or any prohibition contained in the Articles for disqualification from office.*
3. *The Board Members shall hold office for the maximum term of five years and may be re-elected.*
4. *The Board Members appointed by co-optation shall hold office until the date of the first General Meeting.*

ANNEX 1

Articles of Association of Banco de Sabadell, S.A.

TITLE I

NAME, REGISTERED OFFICE, DURATION AND OBJECT OF THE COMPANY

Article 1. In 1881 a loan company was set up under the name Banco de Sabadell, S.A. which shall be governed by these Articles and by the Spanish Capital Companies Act [Ley de Sociedades de Capital] and other applicable legal provisions.

Article 2. The Company's registered office is situated at Plaça de Sant Roc 20, Sabadell, and the Company may, by a resolution of the Board of Directors, establish branches, agencies or representative offices wherever appropriate, in Spain or other countries. The company's online presence will be its corporate website, www.grupobancosabadell.com.

Article 3. The duration of the Company shall be indefinite and any liquidation or winding up shall be effected in accordance with these Articles and with the Act.

Article 4. The Bank's object shall include the following businesses and activities:

I. To discount bills, promissory notes and similar documents; manage current accounts; grant loans; take deposits, voluntary or otherwise, of securities and in cash; establish savings accounts; negotiate coupons; buy and sell securities; and generally carry out all banking operations undertaken or capable of being undertaken by loan companies in accordance with current legislation.

II. To buy and sell raw materials, equipment, machinery, fruit, wine and any other goods for its own account or for any other person.

Such transactions, when carried out on behalf of others, may be effected with or without a guarantee of the outcome and with or without advance payment to the seller, on such terms as the Bank sees fit.

III. To provide loans secured on raw materials, government bonds, shares or debentures, produce, harvests, real estate, factories, ships and ships' cargoes and any other object of value.

IV. To set up companies of any kind or take shares in them with a view to trading in industrial raw materials, setting up factories or providing services, electric lighting, water supplies, all classes of insurance, docks, and any other business which is ancillary or helpful to the operation of any of the aforementioned businesses or related to modern financing techniques such as leasing or factoring, finance and trusts, among others.

V. To administer, collect or lease levies of any kind and undertake public works enterprises and assign or perform any contracts for that purpose.

VI. To underwrite or arrange loans with the Government, Autonomous Communities, Provincial Councils and Municipal Corporations and take responsibility for opening subscriptions for any such transactions for any purpose whatsoever, whether on a commission basis or as agents acting for the account of any such bodies or for other companies.

VII. To issue treasury bonds and bills, whether registered or bearer, convertible to shares or otherwise, on the terms to be established in each case by the Shareholders' Meeting.

Article 5. The Bank may acquire public funds and shares or bonds of any type of industrial company or loan company and sell or exchange the same or use them as security.

Article 6. The Bank shall not disclose any information concerning any transaction in which it may engage with any person, unless ordered to do so by a court of law.

TITLE II

SHARES AND SHAREHOLDERS' RIGHTS

Article 7. The share capital of the Bank is TWO HUNDRED AND EIGHTY-SEVEN MILLION TWO HUNDRED AND FORTY-SEVEN THOUSAND EIGHT HUNDRED AND EIGHTY-NINE EURO AND ONE HUNDRED AND TWENTY-FIVE THOUSANDTHS OF A EURO (€287,247,889.125), represented by two billion two hundred and ninety-seven million nine hundred and eighty-three thousand one hundred and thirteen (2,297,983,113) registered shares with a nominal value of 0.125 euro each, fully paid up and numbered from 1 to 2,297,983,113, both inclusive.

Article 8. The shares are represented by means of a book-entry system and are governed by the Securities Market Act (Act 24/1998 of 28 July [Ley del Mercado de Valores]), by Royal Decree 116/1992, of 14 February, on the representation of shares by book-entries and the clearing and settlement of stock market transactions, and by any other legal and regulatory provisions that amend, replace or extend them.

The shares are officially registered with the Central Registry for Book Entries of the Securities Clearing and Settlement Service [Servicio de Compensación y Liquidación de Valores] or with any book-entry registration authority replacing it; such registry shall inform the Bank of any transactions in or related to the shares; the Bank, in turn, shall keep its own Register of Registered Shares, where the identity of the shareholders shall be recorded.

Article 9. All shares shall be deemed to be domiciled in Sabadell, irrespective of their holder.

Article 10. Without prejudice to the provisions of Article 11, a share shall give its lawful holder the status of shareholder and, in addition to all rights granted in these Articles, the following rights:

- a) The right to be included in any distribution of profits of the Company or of assets on liquidation.
- b) Preferential subscription rights on any new issue of shares or convertible bonds.
- c) The right to attend Shareholders' Meetings and vote thereat, subject to any restrictions contained in these Articles, and to contest any resolutions of the Company.
- d) The right to receive Company information.

Article 11. The Company may issue non-voting shares in accordance with any legislation applicable at any given time and subject to the provisions of this Article.

In the event of the Company's shares being listed on a stock exchange, the holders of non-voting shares, even where such shares were issued prior to the listing, shall have no pre-emptive subscription rights in capital increases involving the issuance of new shares except in the case of an issue of non-voting shares paid for out of reserves.

Article 12. The Bank may issue redeemable shares in accordance with the Capital Companies Act.

Article 13. The shares are indivisible. Joint owners of a share must appoint a single person to exercise the shareholders' rights and shall be jointly and severally liable to the Company in respect of all obligations arising from their share ownership.

The same rule shall apply to any other jointly held rights in respect of shares.

Article 14. Where shares are held under usufruct, the shareholder's rights shall vest in the bare owner, but the usufructuary shall be entitled to receive any dividends declared by the Company during the period of the usufruct. All other rights of the shareholder shall be vested in the bare owner.

The usufructuary shall be obliged to enable the bare owner to exercise those rights.

Relations between the usufructuary and the bare owner shall be governed by the terms of the instrument under which the usufruct was established or, in the absence of such instrument, by the Capital Companies Act and, in all other respects, by the applicable civil law.

Article 15. On expiry of the usufruct, the usufructuary may demand payment from the bare owner of any increase in the value of the shares subject to the usufruct that relate to operating profit of the Company that was appropriated, during the term of the usufruct, to any specific reserve funds, of whatever nature or description, in the Company balance sheet.

If the Company is wound up during the term of the usufruct, the usufructuary may demand payment from the bare owner of that part of any amount payable on liquidation that is equivalent to the increase in the value of the shares subject to the usufruct as referred to in the previous paragraph. The usufruct shall extend to the remainder of any payment on liquidation.

If the parties fail to reach an agreement on the amount payable in the two cases above, the amount payable shall be set at the request of either party, and at the expense of both, by an independent auditor, other than the auditor of the Company, who shall be designated by the Mercantile Register for this purpose.

Article 16. Where a usufruct is held in respect of shares which are not fully paid up, the bare owner shall be liable to the Company for any capital calls on the shares. Once payment has been made, the bare owner shall be entitled to demand from the usufructuary the payment of the statutory interest on the amount of such payment in an amount not exceeding the income from the shares.

If this obligation has not been fulfilled within five days from the date on which payment became due, the usufructuary may pay the amount and shall be entitled to claim it from the bare owner on termination of the usufruct.

Article 17. In the event of an increase in the Company's share capital, if the bare owner has not exercised or sold his pre-emptive subscription rights ten days before the deadline by which such rights must be exercised, the usufructuary shall be entitled to sell the rights or to subscribe for the shares.

Where the subscription rights are sold, whether by the bare owner or by the usufructuary, the usufructuary shall be entitled to the proceeds of such sale.

Where new shares are subscribed for, whether by the bare owner or by the usufructuary, the usufruct shall extend to all shares for which payment could have been made with the total value of the rights exercised in subscribing for them. This value shall be calculated on a theoretical basis. Any remaining shares subscribed for shall be beneficially owned by the person who has paid for them.

The usufructuary shall have the same rights with respect to any issue of bonds which can be converted to shares in the Company.

If, during the usufruct, an increase in the share capital is effected out of profits or reserve funds appropriated during the usufruct, the new shares shall vest in the bare owner but shall be subject to the usufruct.

Article 18. All amounts payable under the preceding three articles shall be paid in cash or in shares of the same class as those which were subject to usufruct, the value of which shall be taken as being the amount based on the last audited balance sheet of the Company.

Article 19. All rights attaching to any shares subject to a security interest shall be exercisable by the owner of the shares.

The holder of the security interest shall be obliged to facilitate the exercise of these rights.

If the holder of any shares is in default in the payment of any calls thereon, the holder of the security interest may himself discharge the obligation or enforce the security interest.

Article 20. The provisions of the preceding article shall apply to any shares that are attached, to the extent that they are compatible with the specific terms of the attachment order.

Article 21. The heirs or creditors of a shareholder shall not, with respect to any property or rights of the Company, have any rights other than those vested in the holders of shares by these Articles and shall be subject to the same obligations.

This provision shall apply to the legal guardians and tutors of minors and incapacitated persons, insolvency administrators or receivers, representatives and any other persons collectively exercising the rights vested in shareholders under these Articles.

Article 22. An heir or successor of a shareholder shall not, by any title or under any pretext whatsoever, cause any intervention or seizure of the property of the Company or seek to have it divided up or disposed of by a court or interfere in the management thereof and, for the purpose of exercising any right, must confine themselves to the balance sheets and inventories of the Company and the resolutions of Shareholders' Meeting and of the Board of Directors.

Article 23. Shareholders must pay to the Company any calls on unpaid capital in such manner as the Directors shall determine in each case.

Article 24. The holder of a share shall be in default on the expiry of the time for payment of an unpaid call, as determined in accordance with the previous article.

Article 25. A shareholder who is in default in the payment of any call may not exercise the right to vote. His shares shall be deducted from the share capital for the purposes of establishing the quorum.

A shareholder in default shall not be entitled to receive dividends or any pre-emptive right to subscribe for new shares or convertible bonds.

On the payment of any call and any interest payable thereon, a shareholder may apply to have any unexpired dividends paid to him but may not claim pre-emptive subscription rights if the period within which they were to be exercised has expired.

Article 26. Where a shareholder is in default, the Company may, having regard to the circumstances and nature of the unpaid amount, demand either that the call be paid together with any statutory interest payable and any damages caused by such default, or dispose of the shares at the defaulting shareholder's expense.

When it is necessary to sell the shares, the sale shall be effected in the following manner:

a) Unlisted shares shall be sold with via a registered commercial broker or notary public.

b) Listed shares shall be sold via a member of the stock exchange.

If a sale cannot be made, the shares shall be cancelled and the share capital reduced accordingly, and all sums received by the Company until that time in respect of the shares shall stand to the credit of the Company.

Article 27. Where unpaid calls on shares are offset, partly or wholly, against dividends, the Company shall inform the Clearing and Settlement Service or any book-entry registration authority that has replaced it, so that this event can be entered in the book-entry system.

Article 28. The purchaser of a share which is not fully paid up shall be jointly and severally liable together with all previous owners, at the discretion of the Directors of the Company, for the payment of the unpaid amount.

Any transferor shall remain liable for three years from the date of transfer. Any arrangement to subvert this joint and several liability shall be null and void.

If the purchaser pays the sum due, he may claim the full amount from any subsequent purchasers.

Article 29. Any change in the characteristics of shares represented by book entries shall be published in the Official Bulletin of the Mercantile Register [Boletín Oficial del Registro Mercantil] and in one of the daily newspapers with the largest circulation in the province where the Company's registered office is situated, once the change has been formally registered in accordance with the Capital Companies Act and the securities market regulations.

Article 30. The shares of the Company shall be freely transferable.

Article 31. Transfers of shares in the Company shall take place by book-entry transfer and shall be governed by the provisions of the Securities Market Act, (Act 24/1998 of 28 July), and by Royal Decree 116/1992 of 14 February on the representation of securities by book entries and the clearing and settlement of stock market transactions, and by any legal and regulatory provisions that amend, replace or extend them.

Article 32. The company may acquire its own shares in accordance with the limits and requirements laid down by the legislation in force at any given time.

Article 33. The following rules shall apply to own shares held by the Company:

1. All voting and other political rights attaching to any shares of the Company and its parent company that are held by the Company shall be suspended.

All economic rights attaching to own shares, apart from the right to free allotments of new shares, shall be allocated among the remaining shares on a proportional basis.

2. The Company's own shares shall count as part of the share capital for the purposes of establishing whether the proportions required for proposing and adopting resolutions at Shareholders' Meetings have been met.
3. A restricted reserve shall be set up on the liabilities side of the balance sheet for the amount of own shares of the company or of the parent company held on the assets side. This reserve must be maintained until such time as the shares are disposed of or cancelled.
4. The directors' report must disclose:
 - a) The reasons for all acquisitions and disposals during the year.
 - b) The number and nominal value of all shares acquired and disposed of during the year, and the proportion of the share capital that they represent.

- c) In the case of any acquisitions or disposals of shares for valuable consideration, the consideration paid for the shares.
- d) The number and nominal value of all shares acquired and held by the Company directly or through nominees and the proportion of the share capital that they represent.

Article 34. The Company may advance funds, grant loans and provide guarantees and any other financial assistance for the acquisition of its shares by a third party, provided that these operations are carried out in the ordinary course of the Company's business as expressed in its corporate object and that they are paid for out of available Company funds.

In the event of financial assistance being provided in accordance with the preceding paragraph, the Company must appropriate a reserve on the liabilities side of the balance sheet for an amount equal to that of the loans recorded under assets.

Article 35. The Company may accept its own shares by way of pledge or security only in the ordinary course of the Bank's business, and in compliance with the requirement set out in Article 146.3 of the Capital Companies Act.

TITLE III

GOVERNANCE AND ADMINISTRATION

Article 36. The Company shall be governed by:

- a) The Shareholders' Meeting
- b) The Board of Directors

SECTION I

SHAREHOLDERS' MEETING

Article 37. The Shareholders' Meeting, if legally quorate, represents the Company and therefore exercises all rights and powers of the Bank; resolutions adopted at Meetings shall be binding on all shareholders, whether present or not, without prejudice to any right they may have under the law to contest resolutions and withdraw from the Company.

Article 38. In order to attend, speak and vote at a Shareholders' Meeting, a shareholder's shares must be on record in the register of shares five days before the day on which the Meeting is to be held and they must have obtained an attendance card, which shall be available from the Secretary's Office until five days before the date of the Meeting and shall show the number of votes to which the shareholder is entitled on the basis of one vote for every 100 euro of paid-up capital in shares of any class that he owns or represents.

The company's executives and advisers are entitled to attend Shareholders' Meetings and to speak but not to vote.

Article 39. Shareholders may attend the Shareholders' Meeting in person or appoint a proxy.

Holders of a general power of attorney for the shareholder in the form of a public instrument with the power to administer all of the shareholder's assets in Spanish territory are also entitled to represent the shareholder.

To grant proxy, the shareholder need only indicate, at the foot or on the back of the attendance card, the name of the shareholder so appointed and sign their name, provided

that the signature has been legalised or is recognised by the Bank. Otherwise, the signature must be accompanied by a second signature that fulfils these requirements.

The proxy appointment must contain, or have attached to it, the agenda for the Meeting and the request for voting instructions with indications of how the proxy is to vote in the event of precise instructions not being provided.

Minors must be represented by their guardians or legal representatives, and corporations or companies by their legal representatives, in which case the identity of such person must be specified so that an attendance card can be issued in their name and enable them to appoint a proxy as provided in the first paragraph.

Proxies shall be granted and valid for a specific Shareholders' Meeting and may be revoked in any event. Attendance in person at the Meeting by the principal shall have the effect of revoking any proxies.

To attend and vote at a Shareholders' Meeting, shareholders must show evidence of holding or acting for the holders of paid-up shares in the Company to a value of not less than 100 euro. Shareholders holding shares that do not come up to that minimum amount may group together to constitute the minimum and grant proxy to any one of them or to another shareholder that is entitled to attend, as provided in this article.

Article 40. There is no limit to the maximum number of votes that may be cast by a shareholder or the companies belonging to the same group.

Article 41. A Shareholders' Meeting may be Ordinary or Extraordinary, and shall be called by the Board of Directors.

An Ordinary Shareholders' Meeting shall be held within the first six months of each financial year at such place, date and time as the Board of Directors shall determine, provided that it is held in the city of Sabadell; meetings may be adjourned for one or more consecutive days based on a proposal by the Board of Directors or at the petition of shareholders representing one-quarter of the capital present at the Meeting. Regardless of the number of sessions into which the Shareholders' Meeting is divided, it shall be treated as a single Meeting and only one set of minutes shall be drawn up.

The ordinary Shareholders' Meeting shall be asked to examine and approve the financial statements, directors' report, income statement and a statement of changes in net equity in the period, a cash flow statement, the balance sheet from the previous year, the proposal for the allocation of income and any other proposals that the Board of Directors decides to submit.

The ordinary Shareholders' Meeting shall also hear and consider any proposals from shareholders that are duly signed and presented within five days before the date of publication of the notice of the Meeting; any such proposal must be signed by shareholders representing at least five per cent of the paid-up share capital and be directly related to the business on the agenda or which should be on the agenda.

Once the items on the agenda have been dealt with, shareholders may put forward any motions they see fit and, if they are accepted by the Board of Directors, those motions shall be submitted either to the next Ordinary Shareholders' Meeting or to an Extraordinary Shareholders' Meeting, to be decided by the Board.

Article 42. An Extraordinary Shareholders' Meeting shall be called whenever the Board considers it to be in the interests of the Company. An Extraordinary Shareholders' Meeting shall also be called when requested by a number of shareholders representing at least one-twentieth of the paid-up share capital, such shareholders having stated in their request the nature of the business to be transacted at the Meeting. In this case, the Meeting shall be

called so as to take place within thirty days from the day on which a notarially certified request to hold a meeting is received by the Board of Directors.

The Agenda for the meeting must necessarily include all items of business stated in the request.

Article 43. Notice of Shareholders' Meetings shall be given by means of an announcement published in the Official Bulletin of the Mercantile Register [Boletín Oficial del Registro Mercantil] and in one of the daily newspapers with the largest circulation in Spain not less than one month before the date on which the Meeting is scheduled.

The notice must state all items of business on the Agenda. It must also state whether the meeting is ordinary or extraordinary, the name of the company, the date, location and time of the first call, and the post of the person or persons issuing the notice, and any other information required by the legislation in force.

The notice may also state a day, not less than twenty-four hours after the first call, on which, in the event of the Meeting not being quorate at first call, it may be held at second call.

Shareholders representing at least five per cent of the share capital may ask for a supplement to the notice of the Shareholders' Meeting to be published, adding one or more items to the Agenda, in accordance with the legislation in force.

The shareholders who wish to exercise that right must send certifiable notification to the company, to be received at the company's registered office within the five days following publication of the notice of meeting. The supplement must be published at least fifteen days prior to the scheduled meeting date.

As from the publication of the notice, an Electronic Shareholder Forum will be operational on the Company's website, which shareholders may access subject to the appropriate guarantees with a view to enabling communication between shareholders prior to the general meetings.

The Shareholders' Meeting shall be quorate at first call if the attendees who are present or represented hold at least twenty-five per cent (25%) of the subscribed voting capital. The Meeting shall be quorate upon second call regardless of the amount of capital in attendance.

Article 44. In order for an Ordinary or Extraordinary Shareholders' Meeting to validly adopt a resolution to issue bonds, reduce or increase the share capital, change the legal form of the Company, merge or de-merge the Company or, generally, make any amendment to the Articles of Association, the Meeting, if at first call, must be attended by shareholders holding not less than 50 per cent of the subscribed voting shares, in person or by proxy.

If at second call, 25 per cent of capital shall suffice.

Where those present represent less than 50 per cent of the subscribed voting shares, any of the resolutions referred to in the preceding paragraph shall require a majority of two-thirds of the votes validly cast at the Meeting.

The Shareholders' Meeting may grant authorisation to the Board of Directors, for a period of not more than three years, to issue non-convertible bonds, to be denominated as such, treasury bonds, or similar securities, on one or more occasions, provided that the volume of bonds outstanding at any time does not exceed the limits specified by law.

If adopted by the special majorities provided in this article, such a resolution may empower the Board to freely determine the total amount, the yield and any other terms of each issue.

Article 45. Business shall be transacted at the Shareholders' Meeting in the following order:

Before proceeding to the items on the Agenda, a list of the persons in attendance shall be drawn up, showing the status or representative capacity of each person and the number of shares held or represented by them.

At the end of the list, the number of shares present or by proxy and the amount of paid-up share capital represented by those shares shall be determined, after which the Chairman shall declare the Shareholders' Meeting, whether Ordinary or Extraordinary, to be quorate or not, as the case may be, and, if it is quorate, the Chairman shall declare the Meeting to be in session.

Article 46. Shareholders' Meeting may not discuss or debate any business that is not on the Agenda.

Up to the seventh day prior to the scheduled meeting date, shareholders may request from the Board of Directors any information or clarification they require or submit questions in writing regarding the items on the agenda. Shareholders may also request information or explanations in writing about information accessible to the public which the company supplied to the Spanish National Securities Market Commission [Comisión Nacional del Mercado de Valores] since the last Shareholders' Meeting was held.

Any information requested under the preceding paragraph must be provided in writing by the directors up to the day prior to the Shareholders' Meeting.

During a Shareholders' Meeting, shareholders may make verbal requests for any information or explanations they see fit regarding the items on the agenda; if it is not possible to fulfil a shareholder's request at that time, the directors must supply the information requested, in writing, within seven days from the end of the Meeting.

The Directors must supply all the information requested in accordance with this article except when the Chairman considers that disclosure of the information would be harmful to the Company's interests.

If the request is supported by shareholders representing at least one-quarter of share capital, the information may not be withheld.

Article 47. The annual accounts and any other documents to be submitted to an Ordinary Shareholders' Meeting for its approval, including the auditors' report, shall be available to any shareholder, immediately and free of charge, from publication of the notice of the meeting; this right must be stated in the notice of the meeting.

Article 48. The Shareholders' Meeting shall be chaired by a director designated by the Board of Directors; his function shall be to guide the debate and he shall have a casting vote in the event of a tie.

The Secretary of the Board of Directors shall act as secretary of the Shareholders' Meeting, with responsibility for drawing up the minutes and for issuing any certificates that may be required, which shall be countersigned by the Chairman.

Article 49. The resolutions and deliberations of the Shareholders' Meeting shall be recorded in a minutes book; the minutes shall be approved by any of the following methods:

1. By the Shareholders' Meeting itself, immediately after the close of the Meeting.
2. Within 15 days, by the Chairman and two representatives of shareholders, one acting on behalf of the majority and one on behalf of the minority, if they were not appointed unanimously.
3. By notarial instrument.

It shall be obligatory to engage a notary if requested not less than five days before the date of the Meeting by shareholders representing at least 1% of the share capital.

The Notary's fees shall be paid by the Company.

Once approved by any one of these methods, the minutes shall be legally enforceable from the time of their approval.

Article 50. The Shareholders' Meeting may, on a proposal from the Board of Directors, approve regulations to elaborate upon and extend the preceding articles in this Section as regards the notice of and preparations for Shareholders' Meetings, provision of information, attendance, transaction of business and exercise of voting rights, the manner in which the minutes are to be drawn up and other matters that may be appropriate, subject always to the provisions of the law and these Articles.

The Shareholders' Meeting is the body competent to approve and amend any such regulations and also to determine the period for which they are to be in force. A resolution to approve or amend such regulations must be adopted in the manner established in article 44 of these Articles of Association for the amendment of these articles.

SECTION II

BOARD OF DIRECTORS

Article 51. The Board of Directors shall consist of a maximum of 15 and a minimum of 11 members, who must be shareholders, appointed by the Shareholders' Meeting for a term of five years, with the possibility of re-appointment, who shall not be required to provide guarantees other than as provided by article 54 of these Articles, and who shall faithfully perform their duties and represent the Company in a diligent and business-like way and shall not reveal any confidential information of which they become aware in the course thereof, even after they have ceased to hold office.

On reaching the age of 70 years, a Director may complete his term of office in the post to which he has been appointed but may not be re-appointed.

Any vacancies arising on the Board of Directors shall be filled by the Shareholders' Meeting unless the Board decides, in the interests of the Company, to act in accordance Article 244 of the Capital Companies Act.

Shareholders acting collectively in the manner and in accordance with the requirements of article 243 of the Capital Companies Act shall be entitled to appoint the corresponding number of Directors.

A Director may be removed at any time by a resolution of the Shareholders' Meeting.

The position of Director is compatible with the any other position or office in the Company.

Article 52. Directors who have stepped down for reason of age or because they do not wish to seek re-appointment may be proposed by the Board of Directors for appointment as Honorary Directors, which must be approved by the Shareholders' Meeting.

Honorary Directors may, when invited, attend meetings of the Board and may speak but not vote.

Article 53. An appointment as a director shall take effect as soon as it has been accepted.

Article 54. Members of the Board of Directors are required to hold shares in the company amounting to at least one thousand euro of paid-in capital; they may not transfer or

otherwise dispose of those shares until the financial statements for the last year in which they held office have been approved.

Directors may be executive or non-executive.

Executive directors are directors who perform executive or managerial functions in the Bank or another company in its consolidated Group or who have entered into a contract of employment or a business or other contractual relationship with the Bank in addition to holding office as a Director.

A majority of the total number of directors must be external or non-executive. There should be a significant proportion of independent directors among the external or non-executive directors.

External or non-executive directors shall be considered as independent if:

1. They do not own more than 3% of the company's voting stock and do not represent a shareholder in that situation.
2. They have not, in the previous three years, held any executive post, including that of executive director, in the Bank or its consolidated group and were not its auditor.
3. They do not have family or professional ties with any executive director.

Independent directors may be released from the requirements established in the first paragraph of this Article by a resolution of the Board of Directors, subject to a prior report from the Appointments and Remuneration Committee, when their appointment is proposed to the Shareholders' Meeting, or in the event of co-optation as provided in article 244 of the Capital Companies Act and article 51 of these Articles of Association.

Article 55. The Board shall appoint one of its members as Chairman. The Board shall also select one or more Vice-Chairmen; if there is more than one, they shall be numbered sequentially. The distribution of their responsibilities may be changed when the Board sees fit.

The Board shall also appoint a Secretary and may appoint a Vice-Secretary, who need not be a director. A Secretary who is not a director shall not have the right to vote.

The Chairman of the Board of Directors shall be responsible for representing the Bank and signing documents on its behalf, giving notice of and chairing Shareholders' Meetings and all meetings of the Board of Directors, signing agendas, directing the debate at meetings of the Board of Directors and the Shareholders' Meeting, and executing the resolutions of the Board of Directors and the Shareholders' Meetings without the need for express instructions in this connection.

If the Chairman is unable to discharge his duties for any reason, they shall be performed by the Vice-Chairman, or the first Vice-Chairman if there is more than one, or, if the first Vice-Chairman is unable to act, by the next Vice-Chairman in numerical order.

The Secretary shall be responsible for taking minutes at Shareholders' Meetings and at meetings of the Board of Directors and for signing them with the Chairman, and for keeping the minute books and for issuing, with the countersignature of the Chairman or his replacement, any certificates that may be required, whether in relation to such minutes or to any other documents or matters concerning the Company.

In the event of the Secretary being absent or incapacitated or in the event of the office being vacant, his duties shall be undertaken by the Vice-secretary or, if none has been appointed, by a director designated by the Board.

Any director so appointed to stand in for the Chairman or Secretary shall not be required to show proof of his appointment to third parties.

Article 56. The following shareholders may not hold office as members of the Board of Directors:

- a) Minors.
- b) Persons disqualified by law or undischarged bankrupts or insolvents, those serving convictions involving disqualification from holding public office, and those convicted of serious breaches of the legislation governing companies or Company regulations, or who are prevented from engaging in trade by reason of their office.
- c) Government officials whose duties are related to, or have a bearing on, the business of the Bank.
- d) Those in default with respect to any obligation to the Bank.

Members of the Board of Directors who fall under any of the above prohibitions shall be removed from office immediately at the request of any shareholder and by a resolution of the Shareholders' Meeting.

Article 57. The Board of Directors shall meet once per month and as and when the Chairman shall see fit, or whenever a Director requests a Meeting. To be quorate, meetings shall require that a majority of the members are present in person or represented by another member; resolutions shall be adopted by an absolute majority of votes, with the Chairman having a casting vote in the event of a tie.

Resolutions of the Board shall be recorded in a Minute Book, which shall be signed by the Chairman and the Secretary; the Secretary shall be responsible for taking the Minutes and for issuing any certificates required, which shall be countersigned by the Chairman.

Article 58. With the exception of matters falling within the remit of the Shareholders' Meeting, the Board of Directors is the highest decision-making body in the Company and is responsible under the law and the Articles of Association for the management and representation of the Company.

Subject to the Articles of Association and the resolutions adopted by the Shareholders' Meeting, the Board of Directors shall act on behalf of the Company and the Company shall be bound by its decisions. The Board of Directors shall be responsible for taking such action as may be considered necessary in pursuit of the Company's object as described in these Articles of Association.

Without prejudice to the foregoing paragraphs, the Board of Directors acts mainly as an instrument of supervision and control and delegates the management of ordinary business matters of the Company to the executive organs and senior management team.

Powers may not be delegated where they are required by law or the Articles of Association to be exercised directly by the Board of Directors or are necessary for the responsible performance of the general function of supervision.

Specifically, to ensure better and more efficient performance of its general supervisory duties, the Board shall be directly responsible for:

- a) approving the Company's general strategies;
- b) appointing and, as necessary, removing senior executives of the company and the other entities in the consolidated Group;
- c) appointing and, as necessary, removing directors of the company's subsidiaries;
- d) identifying the Company's main risks and implementing and monitoring suitable internal control and reporting systems;
- e) setting policy on the reporting and disclosure of information to shareholders, the markets and the general public;
- f) setting policy on treasury stock in accordance with any guidelines laid down by the Shareholders' Meeting;
- g) authorising transactions between the Company and directors or significant shareholders which may lead to conflicts of interest; and

- h) generally deciding on business or financial transactions that are of particular importance for the Company.

The Board of Directors must provide itself with rules of procedure to elaborate upon and extend the provisions of the Articles of Association with regard to the composition and functions of the Board and, especially, to the establishment of Board Committees and the responsibilities of directors in the performance of their duties.

The Board of Directors shall, on the basis of a report from the Audit and Control Committee, draw up an annual report on the structure and practice of corporate governance within the Company.

Article 59. The Board of Directors may, subject to a favourable vote by two-thirds of its members, permanently delegate, in whole or in part, such of its powers as may legally be delegated and as it shall see fit to members of the Board, to be exercised, by them collectively, jointly or individually as “Executive Committees” or “Managing Directors”. Such appointments or delegations shall not become effective until registered with the Mercantile Register.

Without prejudice to the delegation of powers under the preceding paragraph, the Board of Directors may also establish Board Committees and arrange their composition and powers as it sees fit.

Article 59 bis. In any event, an Audit and Control Committee shall be established consisting of not more than five non-executive directors appointed by the Board of Directors, which shall also appoint the committee's Chairman, subject to a favourable vote by two-thirds of its members.

The Chairman may hold office for at most four years, and may only be re-elected after a one-year interval.

The Audit and Control Committee must meet at least once every three months, and whenever convened by the Chairman at his own initiative or at the request of any Committee member, or at the request of the Chairman of the Board of Directors or of the external auditors.

The Audit and Control Committee may require the attendance at its meetings of such executives, including executive directors, as it sees fit, to which end it shall notify the General Manager(s) to schedule their attendance.

The Audit and Control Committee has the following functions:

1. Informing the Shareholders' Meeting on the questions raised by shareholders which fall within its scope of authority.
2. Supervising the effectiveness of the company's internal control system, internal audits, and any risk management systems, and discussing with the auditors the important weaknesses in the internal control system detected during the audit.
3. Overseeing the drafting and presentation of regulated financial information.
4. Proposing to the Board of Directors, for submission to the Shareholders' Meeting, the appointment of the external auditor, establishing the engagement conditions, the scope of the professional mandate, and revocation or non-renewal, if appropriate; reviewing compliance with the audit contract, striving to ensure that the opinion on the financial statements and the main content of the auditors' report are drafted clearly and accurately.
5. Advising on the annual, quarterly and half-yearly financial statements and the prospectuses that must be submitted to the regulatory or supervisory bodies, exercising vigilance to ensure compliance with the requirements of the law and the proper application of generally accepted accounting principles, and advising on proposals to amend those principles.

6. Establishing the appropriate relations with external auditors to receive information about any issues that could jeopardise their independence, to be reviewed by the Committee, and any others related to the process of performing the audit functions and in the audit rules.
7. Supervising the internal audit units, reviewing the appointment and removal of the head of internal audit.
8. Being apprised of the companies financial reporting process and internal control systems.
9. Liaising with the external auditors in order to receive information about matters that might jeopardise their independence and any other matters related to the audit process as well as other communications envisaged in the audit legislation and technical audit standards.
10. Advising on all matters within the scope of its functions that are referred to it by the Board of Directors.
11. All other functions attributed to it by law and by these Articles of Association and the regulations implementing them.

The Audit and Control Committee shall draft an annual report on its activities, which shall be included in the Directors' Report referred to in article 77 of these Articles of Association.

Article 59 ter. An Appointments and Remuneration Committee shall also be established, comprised of non-executive directors appointed by the Board of Directors subject to a favourable vote by two-thirds of its members.

The number of members, its powers and the rules of procedure of that Committee shall be determined by the Board of Directors in accordance with the Board's own rules of procedure.

The Committee shall ensure that the composition of the Board of Directors complies with the provisions of article 54 of these Articles.

Article 60. Any claim against the directors may be exercised in accordance with articles 236 through 241 of the Capital Companies Act.

Article 61. The Board of Directors shall appoint one or more General Managers who shall be responsible to the Board for carrying out the policies it adopts and for establishing and setting, with the help of suitable analysis and advice, the appropriate targets to ensure that policy aims are met. For this purpose, they shall direct all operations of the Bank to ensure that the those targets are achieved, monitor performance and take all action necessary to correct deviations and improve managerial effectiveness.

Article 62. The Board of Directors may, on the recommendation of the General Manager(s), appoint Deputy General Managers, Assistant General Managers, authorised signatories and such other positions as may be required to fully discharge the managerial and service functions at each level of management.

TITLE IV

AMENDMENT OF THE ARTICLES OF ASSOCIATION

Article 63. Any amendment to the Articles of Association shall be by a Resolution of the Shareholders' Meeting, subject to the following conditions:

- a) The Directors or shareholders, as the case may be, proposing the amendment must provide a written report justifying the proposed amendment.
- b) The proposed amendments must be clearly set out in the notice of the General Meeting.
- c) The notice calling the General Meeting must state that all shareholders are entitled to inspect the full text of the proposed amendment and accompanying explanations at the

Company's registered office and to request that those documents be provided or sent to them free of charge.

- d) Resolutions to amend the Articles must be adopted by the Shareholders' Meeting in accordance with Articles 41 or 44 of these Articles.

Article 64. Any amendment to the Articles of Association imposing further obligations on the shareholders shall require the acquiescence of all those concerned.

Article 65. Share capital may be increased by issuing new shares or increasing the nominal value of the existing shares.

In either case, the cost of the increase in share capital may be met from further monetary or non-monetary contributions to the Company, including the offsetting of any debt claims on the Company, or by conversion of reserves or earnings already on the balance sheet.

Article 66. Increases to share capital shall require a resolution of the Shareholders' Meeting in the manner established for amendments to the Articles of Association.

Where an increase is to be effected by raising the nominal value of shares, the consent of all shareholders shall be required unless the increase is met entirely from reserves or profits of the Company.

Not less than 25 per cent of the value of each Company share after the increase in share capital must be paid-up.

Article 67. The Shareholders' Meeting may, in the manner specified for amendments to the Articles of Association, delegate the following powers to the Directors:

- a) The power to set a date on which a resolution for an increase in share capital which has been adopted shall be carried into effect for the specified amount and to decide the terms thereof to the extent that these are not specified in the resolution of the Shareholders' Meeting. The time within which this delegated power must be exercised shall not exceed one year, except in the case of a conversion of bonds to shares.
- b) The power to decide on an increase in share capital at one or more times up to a specified amount at such times and for such amounts as they shall see fit, without the need to refer to the Shareholders' Meeting. Such increases shall not, in any event, exceed one-half the share capital of the Company at the time authorization is given, and shall be effected by means of monetary contributions within at most five years from the date of the Resolution by the Shareholders' Meeting.

Under the authority of such delegation, the Directors may amend the wording of the Article concerning the share capital in the Articles of Association once the increase has been decided upon and implemented.

Article 68. A condition for any increase in the share capital which is to be met from additional monetary contributions to Company equity is that all previously issued shares must already have been paid up in full.

The increase may, however, take place if the amount of share capital that is not paid up does not exceed three per cent of the total.

Article 69. Where the increase in the share capital is paid for out of reserves, any unrestricted reserves, including share premiums and such part of the statutory reserve as may exceed ten per cent of the share capital after the increase, may be used for the purpose.

Any such increase shall be based on an approved and audited balance sheet as of a date in the six months immediately preceding the resolution to increase the share capital.

Article 70. Without prejudice to the provisions of article 11 of these Articles, in the event of an increase in capital by the issuance of new shares, whether ordinary or preference, existing shareholders and any holders of convertible bonds may, within such time as shall be allowed by the Board, exercise their right to subscribe for a number of shares in proportion to the nominal value of the shares which they hold or of the shares to which the holders of convertible bonds would be entitled if they were to exercise their conversion rights at that time.

The period for the exercise of rights allowed by the Board under the preceding paragraph shall be not less than one month for unlisted shares and convertible bonds, and not less than fifteen days for listed shares and convertible bonds, counted (in both cases) from the date of publication in the Official Bulletin of the Mercantile Register of the announcement of the offering of new shares for subscription.

Instead of publishing an announcement, the Board may send a written notice to each shareholder and usufruct holder entered in the share register, in which case the period for exercising subscription rights shall run from the date on which the notice was sent.

Pre-emptive subscription rights shall be transferable on the same terms as the shares from which they derive. In the event of an increase drawn on reserves, the same rule shall be applicable to the rights to free allocation of the new shares.

Article 71. The Shareholders' Meeting may, where it is in the Company's interests, override the pre-emptive subscription rights partly or wholly in accordance with the terms set out in the legislation in force.

Article 72. The decision to increase share capital and the execution of that decision must be registered simultaneously with the Mercantile Register.

A decision to increase share capital may be registered with the Mercantile Register before it is executed provided that the following two conditions are met:

- 1 The issue of the new shares has been authorised or vetted by the National Securities Market Commission.
- 2 The decision to increase capital expressly provides for the possibility of incomplete subscription.

Once the decision has been executed, the Board must amend the Articles of Association so as to reflect the new amount of the share capital, and they shall be deemed to be empowered for that purpose by the capital increase decision.

Subscribers for shares are liable to pay for the shares from the time of subscription, but may request that their liability be cancelled and demand the return of their payments if the documents accrediting the increase in share capital have not been filed with the Mercantile Register within six months from the date upon which subscription commenced.

If the failure to present documents for registration is attributable to the Company, they may also demand the payment of statutory interest.

Where the Company is listed on a stock exchange and the issue of new shares has been authorised and vetted by the National Securities Market Commission, if the instrument executing the decision has not been filed with the Mercantile Register within one year from the date of subscription and the registrar, on his own authority or at the request of an interested party, cancels the registration of the capital increase decision, the holders of the newly-issued shares shall be entitled to the remedies referred to in the preceding two paragraphs.

Article 73. Adoption by the Shareholders' Meeting of a decision to reduce share capital shall be subject to the same requirements as an amendment of the Articles of Association.

Any such decision by the Shareholders' Meeting shall indicate, at least, the amount by which the share capital is to be reduced, the purpose of the reduction, the procedure by which the Company shall carry it out, the time within which it shall be completed and any amount to be paid to shareholders.

Where the reduction will result in cancellation of shares by reimbursement of shareholders and the reduction does not apply equally to all shares, the decision shall require a majority vote of the shareholders concerned, as provided by article 63 of these Articles and article 293 of the Capital Companies Act.

Article 74. Any decision to reduce share capital must be published in the Official Bulletin of the Mercantile Register and on the Company's website or in one of the newspapers with the largest circulation in the province.

Article 75. Where a reduction in share capital is to be effected via a buyback and cancellation of shares by the Company, the offer must be made to all shareholders by registered letter, which shall include all information reasonably necessary to shareholders wishing to sell, indicating any consequences if the number of shares tendered for sale falls short of the number specified in the decision; any such offer shall remain open for one month after the date of any review of the situation.

If the number of shares tendered exceeds the number specified by the Company, the number tendered by each shareholder shall be reduced in proportion to the number of shares they own.

Save as otherwise provided in the Shareholders' Meeting's decision or in the tender offer, if the number of shares tendered for sale fails to reach the specified number, the share capital shall be deemed to have been reduced by the value of the shares actually purchased.

All shares purchased by the Company must be cancelled within one month from the deadline for tendering.

TITLE V

PROFITS AND DISTRIBUTION OF PROFITS

Article 76. The Company's financial year shall begin on 1 January and end on 31 December each year.

Article 77. Within not more than three months from the end of each financial year, the Company's directors shall draw up the annual accounts, a directors' report and a proposed application of results, and, if appropriate, consolidated financial statements and a consolidated directors' report.

The financial statements and directors' must be signed by all Board members. If a signature is missing, this fact and the cause must be indicated in each of the documents where the signature is missing.

Article 78. The financial statements shall comprise the Balance Sheet, the Profit and Loss Account, a statement of changes in equity, a cash flow statement, and Notes to the financial statements.

These documents, which form a single unit, shall be written clearly and shall reflect a true image of the Company's net worth, financial situation and results in accordance with the provisions of the Capital Companies Act and of the Code of Commerce.

Article 79. The financial statements and the directors' report must be audited.

The persons responsible for auditing the accounts shall be appointed by the Shareholders' Meeting before the end of the year to be audited, for an initial period which shall not be less than three nor more than nine years from the date on which the first financial year to be audited began. The auditors may be reappointed by the Shareholders' Meeting annually after the end of the initial period.

The Shareholders' Meeting may appoint one or more natural or legal persons, who shall act jointly. Where the appointees are natural persons, the Shareholders' Meeting must appoint both auditors and substitutes.

The Shareholders' Meeting may not terminate the engagement of the auditors before the end of the period for which they were appointed or before the completion of any of the audits which they were hired to do, without just cause.

Article 80. The financial statements require approval by the Shareholders' Meeting.

Once notice has been given of a Shareholders' Meeting, any shareholder may obtain from the Company, immediately and free of charge, all documents to be submitted to the meeting for its approval, including the director's report and the auditor's report.

This right shall be clearly stated in the notice.

Article 81. From gross revenues there shall be deducted the general expenses, interest, bonuses, appropriations made by the Board for depreciation and amortisation, any provisions considered necessary and any other amount that results in a reduction in the Bank's assets.

Any remaining amount shall be considered as net profit, from which a deduction shall be made for Directors' remuneration consisting of a share in the profits which shall not exceed 3% of the that net profit, and the Board shall have wide powers within that limit to set their annual remuneration and to distribute it among the members of the Board and any Honorary Directors, provided that appropriations have been made to Obligatory Reserves and a 4% dividend for shareholders has been declared.

Directors carrying out executive functions may also, subject to a decision by the Shareholders' Meeting as required by the Capital Companies Act, participate in incentive schemes approved for the Bank's executives that consist of payments in the form of shares, stock options, or remuneration linked to the share value.

After making deductions for tax and provisions to reserves as required by law, the Shareholders' Meeting shall, based on a proposal from the Board of Directors, decide what part of any remaining profit is to be distributed to shareholders as dividends and how much is to be appropriated to voluntary reserves or otherwise appropriated or employed in such manner as it may determine.

Article 82. The Shareholders' Meeting shall resolve upon the application of the results for the year as shown in the approved balance sheet.

Once all appropriations required by law or the Articles of Association have been covered, dividends may only be paid out of the year's profits or unrestricted reserves if such distribution does not reduce the accounting net worth to below the amount of share capital.

If, as a result of previous years' losses, the accounting net worth is less than the share capital, profits must be assigned first to offset such losses.

Article 82 bis. The Shareholders' Meeting may approve a distribution in kind of dividends (charged either against the profits for the year or unrestricted reserves) or of any share premium provided that the assets or securities to be distributed are uniform and sufficiently

liquid or are readily realizable; this shall be presumed always to be the case for securities that are listed or are to be listed on a regulated market.

The rule set out in the preceding paragraph shall also apply to the refunds of contributions in the event of a capital reduction.

Article 83. In any event, an amount equal to ten per cent of income for the year must be allocated to the statutory reserve until this reserve amounts to at least twenty per cent of share capital.

Until it exceeds that limit, the statutory reserve may only be allocated to offset losses, and only in the event that the other available reserves are insufficient for the purpose, without prejudice to the provisions of article 69 of these Articles of Association.

Article 84. Dividends shall be distributed to shareholders in proportion to the paid-up share capital which they own.

When declaring dividends, the Shareholders' Meeting determine the time and manner of payment. Absent such determination, the dividend shall be payable at the Company's registered office from the day following the decision.

Article 85. An interim dividend may only be declared by the Shareholders' Meeting or by the Directors under the following conditions:

- a) The Directors shall draw up an accounting statement showing that there are sufficient liquid funds available for distribution. The statement shall subsequently be included in the notes to financial statements.
- b) The amount for distribution shall not exceed the profits obtained since the end of the last financial year after deducting prior years' losses and making the appropriations to reserves that are obligatory under the law or the Articles of Association, and the estimated tax payable on such profits.

Article 86. Any dividend, whether out of profits or resulting from a refund of share capital, that is not claimed within five years from the day on which it became available for payment shall cease to be due and payable and shall stand to the credit of the Company, as shall any amount remaining after a sale of shares that have lapsed that would otherwise be payable to a shareholder who is in default in the payment of calls on shares and has not claimed such amount within one year from the day of such sale.

TITLE VI

WINDING UP AND LIQUIDATION

Article 87. The Company shall be wound up and liquidated when the law so requires or by a decision of an Extraordinary Shareholders' Meeting convened expressly for the purpose.

Article 88. The Extraordinary Shareholders' Meeting at which a resolution is adopted to wind up the Company shall also adopt resolutions for the appointment of liquidators, who shall act in accordance with the Capital Companies Act and any instructions from the Meeting.

Article 89. During the process of liquidation, the Shareholders' Meeting shall retain all its powers under these Articles for as long as the Company remains in existence.

Article 90. No amount may be distributed to shareholders unless and until all transactions of the Bank have been settled and sufficient funds are left to cover all outstanding obligations.

Article 91. Five years following a final liquidation, any shares and bonds of any type in respect of which claims have not been presented for the principal sum and any accrued earnings or interest shall be deemed null and void, and the amount thereof shall be distributed in full among the shareholders who made claims.

TITLE VII

GENERAL PROVISIONS

Article 92. For any dispute with the Company, shareholders submit to the jurisdiction of the courts in the place where the Company's registered office is located, regardless of any venue to which they might be entitled.

Article 93. For all matters not provided for in these Articles, the provisions of the Capital Companies Act shall apply.

AGENDA ITEM FIVE. PROPOSED RESOLUTION

Ratify Banco Sabadell, S.A.'s corporate website, www.grupobancosabadell.com as the Company's online presence for the purposes established under article 11 bis of the Capital Companies Act.

JUSTIFICATION:

Article 11 bis, introduced by Act 25/2011, of 1 August, on the partial reform of the Capital Companies Act and the transposition of Directive 2007/36/EC, of European Parliament and of the Council, on 11 July, on the exercise of certain rights of shareholders in listed companies, establishes that the creation of a corporate website shall be decided by the Shareholders' Meeting and that such resolution shall be registered in the Mercantile Registry.

Prior to the entry into force of Act 25/2011, Banco de Sabadell, SA already had a corporate website which was used to disclose information in compliance with its obligations as a listed company. The Board of Directors considers it appropriate to propose to the General Meeting the ratification of the corporate website to comply with the spirit and purpose of the new article 11 bis of the Capital Companies Act and to register that resolution in the Mercantile Register, thus eliminating any conflicts of interpretation that the act could have created since it did not address websites that already existed when it came into force.

AGENDA ITEM SIX. PROPOSED RESOLUTION

Grant the Board of Directors of Banco de Sabadell, S.A. powers as broad as may be required by law so that, in accordance with the provisions of article 297.1.b) of the Capital Companies Act, it may increase share capital, on one or several occasions, in the amount(s), on the date(s) and on the terms and conditions that the Board of Directors may determine, with power to delegate to the Executive Committee or the persons it considers appropriate, up to the maximum limit and within the maximum term contemplated in the Act, being authorised to determine the characteristics of the shares, to freely offer any new shares that were not subscribed in any pre-emptive subscription period(s), to determine that, in the event of incomplete subscription, the capital increase be made only in the amount actually subscribed, and to amend the wording of the article of the Articles of Association on share capital.

The delegation of powers includes authorisation to: determine any share premium, issue preference, non-voting, callable or redeemable shares and other securities or financial instruments referenced or related to the Bank's shares that may result in an increase in share capital, apply for listing and delisting of the securities issued, and take any other steps that may be necessary to ensure that the new shares resulting from the capital increase(s) be listed on Spanish and foreign stock markets, in accordance with the procedures established by each individual stock market. It also includes authorisation, where appropriate, to override pre-emptive subscription rights in connection with share issues made under this delegation of powers in cases in which this is in the corporate interest, pursuant to the provisions of Article 506 of the Capital Companies Act.

The Board of Directors is expressly empowered, with powers as broad as may be required by law, to delegate to the Executive Committee or the persons that it considers appropriate, and without prejudice to any existing delegations or empowerments, to remedy, clarify, interpret, complete, specify and render more precise, as appropriate, the adopted resolutions, and, in particular, remedy any defects, omissions or errors that may be observed.

The Board of Directors is also expressly empowered, as broadly as may be required by law, with the power to sub-delegate to the Executive Committee or the persons it considers appropriate, and without prejudice to any existing delegations or empowerments, to perform all of the actions and processes necessary or merely advisable for the execution and implementation of the capital increase, including, but not limited to, the following:

- (i) drafting, signing and presenting to the National Securities Market Commission, if necessary, the prospectus for the capital increase or any equivalent document, in compliance with the provisions of the Securities Market Act and Royal Decree 1310/2005, on the listing of

securities on the official secondary markets and primary and secondary offerings, assuming liability for its content, and drafting, signing and presenting such supplements to same as may be necessary, requesting vetting and registration of same by the National Securities Market Commission and issuing the regulatory and other disclosures that may be necessary or advisable;

- (ii) drafting an International Offering Memorandum, if required, to facilitate dissemination of the information about the capital increase to international shareholders and investors, and assuming liability for its content;
- (iii) drafting, signing and presenting any documentation or additional or supplementary information as may be necessary before the National Securities Market Commission, the Stock Exchange Governing Companies, and any other competent authority or body, whether Spanish or foreign, to obtain authorisation, vetting and subsequent implementation of the capital increase;
- (iv) appearing before the notary of their choice and expressing this capital increase decision as a public instrument, and taking such steps as may be necessary and approving and formalising such public or private documents as may be necessary or advisable to render this capital increase resolution fully enforceable in all of its aspects and contents, and, in particular, remedying, clarifying, interpreting, completing, specifying and rendering more precise, as appropriate, the adopted resolution, and, in particular, remedying any defects, omissions or errors that may be observed by the Mercantile Registry in its verbal or written feedback;
- (v) negotiating, signing and granting such public and private documents as may be necessary in connection with the capital increase in accordance with standard practice for this type of transaction, including, in particular, an underwriting and/or placement contract, which may include among its provisions the declarations and guarantees by the Company that are habitual in this type of contract, agency contracts, protocols and draft agreements relating to such underwriting/placement contracts, and any that may be advisable for the implementation of the capital increase, reaching an agreement on fees and other terms and conditions it considers appropriate, including any compensation for the underwriters;
- (vi) drafting and publishing such advertisements as may be necessary or advisable;
- (vii) declaring that the capital increase has been completed, upon expiration of the subscription period and following payment for the shares finally subscribed, and granting such public and private documents as may be necessary to execute the capital increase;

JUSTIFICATION:

The object of the proposed capital increase resolution, in accordance with the provisions of Article 297.1.b) of the Capital Companies Act, lies in the power of the General Meeting to delegate to the Board of Directors, with the power to delegate in turn to the Executive Committee or the persons it considers appropriate, the power to increase capital, on one or several occasions, in an amount not exceeding in any circumstances one-half the existing share capital at the date of the authorisation, within a maximum period of five years as from the date of the resolution of the General Meeting and provided in all cases that the capital increase is made by means of monetary contributions.

The General Meeting thus grants to the Board an instrument that is contemplated in the Capital Companies Act and enables it to increase capital within the limits established by the Act, as it sees fit in the company's interests, with no need to convene and hold a General Meeting of Shareholders. The aim is to provide the Board of Directors with an agile, flexible mechanism for responding appropriately to the Bank's needs, in light of the market environment in which it operates.

The delegation as provided in article 297.1.b) of the Capital Companies Act makes it possible to grant the Board of Directors the necessary degree of flexibility to attend to the Bank's needs at all times. All the foregoing is expressed in greater detail in the report issued by the directors of the company in compliance with articles 297.1 (relating to article 286) and 506 of the Capital Companies Act, which report is contained in the documentation provided to the shareholders.

Approval of this motion will render null and void the equivalent delegation approved on 23 February 2012 by the Bank's Ordinary General Meeting under item three of the agenda, in the amount not yet used.

ITEM SEVEN ON AGENDA: PROPOSED RESOLUTION

Delegate in favour of the Board of Directors of Banco de Sabadell, S.A., for a period of three years as from the date hereof, the power to issue, on one or several occasions, non-convertible debentures, subordinated or otherwise, under this name (*obligaciones no convertibles*), preference shares, treasury bonds or other similar instruments, mortgage covered bonds and any other fixed-income securities.

The Board is also hereby expressly authorized to implement a commercial paper issue programme, under this or any other name, on one or several occasions, during a period of three years as from the date hereof.

The Board may freely determine the total amount of each issue or programme and the maturities, yields and other terms and conditions applicable to each issue or programme, provided in all cases that the bonds or commercial paper outstanding at any given time do not exceed the limits established by law. The Board may, in general, with no restrictions whatsoever, take all public or private steps that may be necessary or that it may deem appropriate for execution of this resolution, including, where appropriate, appointment of the Commissioner and approval of the fundamental rules governing the legal relationship between the Bank and the Syndicate of holders of the securities issued.

Authorize the Board additionally so that, where it sees fit, and subject to obtaining the necessary authorisations and, where necessary, the approval of the Assemblies of the Syndicates of holders of the securities in question, it may modify the terms of redemption, maturities and yields of any fixed-income securities issued under this delegation of powers.

The Board is also hereby expressly authorised to delegate these powers, in accordance with the provisions of the Capital Companies Act.

JUSTIFICATION:

The aim of the delegation of power granted by the General Meeting in favour of the Board of Directors, in accordance with the provisions of the Capital Companies Act, in order that it may make issues, on one or several occasions, of non-convertible debentures, subordinated or otherwise, under this name (*obligaciones no convertibles*), preference issues, treasury bonds or other similar instruments, mortgage covered bonds and any other fixed-income securities, and in order that it may implement commercial paper issue programmes, is to provide the Board of Directors with the instruments necessary to enhance performance of the Bank's activities, granting it more room for manoeuvre and the quick response capacity required in the highly competitive environment in which it operates.

AGENDA ITEM EIGHT. PROPOSED RESOLUTION

Delegate to the Board of Directors of Banco de Sabadell, S.A., in accordance with the general rules on issuance of debt securities and with the provisions of articles 285-290, 297 and 511 of the Consolidated Text of the Capital Companies Act, approved by Legislative Royal Decree 1/2010 (the "Capital Companies Act") and 319 of the Mercantile Register Regulation, the power to issue debt securities, preference shares and any other securities representing part of a debt claim that are convertible into newly-issued shares of the Company and/or are exchangeable for existing shares of the Company, and warrants or analogous securities giving entitlement, directly or indirectly, to subscribe for or acquire shares of the Company, whether newly-issued or pre-existing, in accordance with the following conditions:

1. The securities for whose issuance the Board of Directors is empowered under this resolution may be issued at one or more times at any time within at most five (5) years from the date of adoption of this resolution.
2. The maximum total amount of the issue(s) to be made under this delegation is TWO BILLION EURO (€2,000,000,000.00) or the equivalent in another currency.
3. When using the powers granted hereby, the acts which the Board is empowered to perform include, but are not limited to, the following: determining, for each issue, the amount, place of issue (Spain or other countries), and currency and, in the event of using a foreign currency, the equivalent in euro; the name, whether bonds (*bonos*) or debentures (*obligaciones*), which may be subordinated, preference shares and any others allowed by law; the date(s) of issuance; the number of securities and their nominal value, which, in the case of bonds, debentures, preference shares and other securities, may not be less than the par value of the shares; in the case of warrants and analogous securities, the issue price and/or premium, the strike price (which may be fixed or variable) and the procedure, term and other conditions applicable to the exercise of the right to subscribe for the underlying shares or the overriding of that right, as the case may be; the yield, which may be fixed or variable, with payment being at the discretion of the Company or obligatory, the dates and procedures for the payment of coupons where appropriate; whether the securities are perpetual or amortisable and, in the latter case, the term of amortisation and the maturity date; the form of reimbursement, premiums and batches, the collateral; the form of representation, whether by certificates or book entries; the form of subscription; the degree of seniority of the securities and any subordination clauses; the legislation applicable to the issue; and generally any other condition of the issue, including the appointment of a Commissioner, where appropriate, and approval of the fundamental rules to govern the relations between the Bank and the Syndicate of holders of the securities to be issued, where it is necessary to form such a Syndicate.

4. For the purposes of determining the rules and forms of conversion and/or exchange, the following criteria are established:

4.1 Convertible and/or exchangeable debentures and bonds, and preference shares:

- i. The securities (bonds, debentures, preference shares and any others allowed by law) that are issued under this resolution will be convertible into new shares of the Bank and/or exchangeable for existing shares of the Company in accordance with the conversion and/or exchange ratio to be established by the Board of Directors and which may be determined at the time of issuing the securities or consist of a variable ratio, and the Board is also empowered to determine whether they are convertible or exchangeable, and to determine whether conversion and or exchange is mandatory or voluntary and, in the event that it is voluntary, whether this is at the election of the holder or the issuer, with the frequency and in the term to be established in the issuance resolution, which may not exceed thirty (30) years from the date of issuance.
- ii. Where the issue is convertible and exchangeable, the Board may establish that the issuer reserves the right to choose at any time between conversion into new shares or exchange for existing shares of the Company, specifying the nature of the shares to be delivered at the time of conversion or exchange, and it may even choose to deliver a combination of new and existing shares of the Company and even settle the difference in cash. In any event, the issuer will apply equal treatment to all holders of fixed-income securities that are converted and/or exchanged on the same date.
- iii. For the purposes of conversion and/or exchange, the securities representing part of a debt claim will be valued at their nominal value and the shares at the fixed price determined in the resolution adopted by the Board of Directors by making use of this delegation, or at the price that is determinable on the date(s) indicated in the Board resolution based on the stock market price of the Bank's shares on the date(s) or in the period(s) taken as a reference in the resolution, with or without a discount, and, in any event, amounting to at least the higher of the average price of the shares on the electronic market of the Spanish stock exchanges where the Bank's shares are listed, using the closing prices of the 15 calendar days prior to the date of conversion or exchange, and the closing market price of the share on that same electronic market on the date preceding the date of conversion or exchange. Additionally, a discount

not exceeding 25% may be established with respect to that minimum share price.

- iv. During conversion and/or exchange, any fraction of a share corresponding to the holder of debentures, bonds or preference shares will be rounded down to the next whole number and the difference in this case will be paid in cash.
- v. In no event may the value of the share used for converting the debentures into shares be less than the par value. As provided in article 415 of the Capital Companies Act, debentures may not be converted into shares if the par value of the former is less than the nominal value of the latter.
- vi. At the time of approving an issue of convertible debentures under this authorisation granted by the General Meeting, the Board of Directors must issue a report setting out and specifying, on the basis of the foregoing criteria, the conditions and forms of conversion applying specifically to the issue in question. That report must be accompanied by the auditors' report referred to in article 414.2 of the Capital Companies Act.

4.2 Warrants and other analogous securities giving entitlement, directly or indirectly, to subscribe for or acquire newly-created or pre-existing shares of the Company.

The Board of Directors is empowered to determine, in the broadest terms, the criteria applicable to the exercise of the right to subscribe for or acquire shares of the Company arising from securities of this class that are issued under this delegation, applying the criteria established in section 4.1 above, with the necessary modifications to be compatible with the legal and financial rules governing this class of securities.

- 5. As far as possible, in the conversion and/or exchange for shares of the securities issued under this delegation, the holders will have all rights granted to them under the current legislation, especially the right to be protected by anti-dilution clauses.
- 6. The delegation to the Board of Directors also includes, but is not limited to, the following powers:
 - i. The power to set out and specify the conditions and forms of conversion, exchange and/or exercise of the rights to subscribe for and/or acquire shares arising from the securities to be issued, having regard to the criteria established in item 4 above.

- ii. The power, as provided by article 511 of the Capital Companies Act, for the Board of Directors to override, either fully or partially, the shareholders' pre-emptive subscription right when necessary to raise funds in the domestic or international markets or when it is in the Company's interests in any other way. In any case, if the Board decides to override the pre-emptive subscription right in relation to a specific issue of convertible debentures, preference shares, or warrants or analogous securities that it decides to make under this authorisation, it must, at the time of approving the issue and in accordance with the applicable regulations, issue a report detailing the specific reasons in connection with the Company's interests that justify the measure, which must be accompanied by a report by an auditor other than that of the Company, appointed by the Mercantile Registry as referred to in articles 414 and 417.2.b of the Capital Companies Act by reference from article 511 of that Act. Those reports will be made available to shareholders and disclosed to the first Shareholders' Meeting held after the decision to increase capital.
 - iii. The power to increase capital in the amount needed to meet requests for conversion and/or exercise of the right to subscribe for shares. That power may be exercised only if the sum of the capital increase performed to cater for the issuance of convertible debentures, preference shares, or warrants and analogous securities and any other capital increases decided upon under authorisations granted by this General Meeting does not exceed the limit of one-half of the capital stock as provided in article 297.1 b) of the Capital Companies Act. This authorisation to increase capital includes the power to issue and place in circulation, at one or more times, the shares necessary to cater for the conversion and/or exercise of the right to subscribe for shares, as well as the power to redraft the article in the Articles of Incorporation relating to the share capital figure and, if necessary, the power to cancel any part of that capital increase that is not necessary for the conversion into shares and/or the exercise of the right to subscribe for shares. As provided in article 304.2 of the Capital Companies Act, shareholders will not have pre-emptive subscription rights in capital increases made to issue new shares for the conversion of debentures.
7. The Board of Directors is empowered to apply, where appropriate, to list, on official or unofficial secondary markets, organised or otherwise, in Spain or other countries, the convertible and/or exchangeable debentures and/or bonds, preference shares or warrants issued under this delegation and the shares issued to cater for conversion of the

convertible debentures and or bonds, preference shares or warrants, and the Board of Directors is also empowered, as broadly as may be required by law, to take any necessary steps before the competent authorities of the various domestic or foreign securities markets to achieve such listing.

At successive General Meetings of Shareholders, the Board of Directors will inform shareholders of any use it has made of the delegation.

The delegation to the Board of Directors, which includes the express power to delegate to the Executive Committee or director(s) that it wishes, includes the broadest powers that may be necessary under law to interpret, apply, execute and implement the resolutions to issue securities that are convertible or exchangeable for shares of the Company, at one or more times, and the corresponding capital increases, and the Board is also empowered to remedy and complement the same where necessary, and to fulfil any requirements that may be applicable by law to achieve those outcomes, with the power to remedy omissions or defects in those resolutions that are pointed out by any authorities, functionaries or bodies, whether domestic or foreign, and it is also empowered to adopt such decisions and grant such public or private documents as may be considered necessary or advisable for the adaptation of these decisions to issue convertible or exchangeable securities and the corresponding capital increase on the basis of the verbal or written feedback from the Mercantile Registrar or, generally, from any other competent authorities, functionaries or institutions, whether domestic or foreign.

JUSTIFICATION:

The purpose of the delegation by the General Meeting to the Board of Directors, in accordance with the Capital Companies Act and complementary legislation, so that it may issue securities that are convertible and/or exchangeable for shares of the Company, as well of warrants and analogous securities giving entitlement, directly or indirectly, to subscribe for or acquire shares of the Company, and the power to override shareholders' pre-emptive subscription rights, is to provide the Bank's governing body with the room for manoeuvre and the capacity to respond that is required in the competitive environment in which the Bank operates, and it is in line with authorisations granted by the General Meeting in preceding years.

AGENDA ITEM NINE. PROPOSED RESOLUTION

Revoke the resolution adopted at the General Meeting on 14 April 2011 in the part not executed, and authorise the Company so that, either directly or through any of its subsidiaries, and within a maximum period of five years as from the date of this General Meeting, it may acquire, at any time and as often as it sees fit, shares of Banco de Sabadell, S.A. by any of the means admitted by law, including against profit for the year and/or unrestricted reserves, and in order that it may subsequently sell or cancel any shares thus acquired or, where appropriate, deliver them to employees or directors of the Company as part of their remuneration or as a result of the exercise of stock options which they hold, all in accordance with the provisions of Articles 146, 509 and matching articles of the Capital Companies Act.

Approve the limits or conditions of these acquisitions, as follows:

- The par value of the shares thus acquired, directly or indirectly, in addition to any shares already held by the Bank and its subsidiaries, shall not exceed, at any time, ten per cent of the share capital of Banco de Sabadell, S.A., complying in all cases with all the limits established for acquisition of treasury shares by the stock market regulators in the markets on which Banco de Sabadell, S.A. shares are listed.
- It must be possible to create a restricted reserve on the liabilities side of the Company's balance sheet equivalent to the amount of the treasury shares recognised on the assets side. This reserve must be maintained until such time as the shares are disposed of or cancelled.
- The shares acquired must have been fully paid.
- The acquisition price must be no less than par value and no higher than 20 per cent above the stock market price or any other price whereby the shares may be valued as of the date of their acquisition. All acquisitions of treasury shares shall be made in accordance with general stock market rules and regulations.

Reduce the share capital, to cancel any treasury shares that the Bank may hold on its balance sheet, against profits or unrestricted reserves and in the amount that may be considered appropriate or necessary at any time, up to and including all treasury shares that may be held as of that date.

Authorize the Board of Directors in order that it may execute the foregoing Resolutions, and in particular the resolution on capital reduction, which may be made on one or several occasions and within a maximum period of five years from the date of adoption of this resolution, taking all steps and actions and obtaining all authorisations that may be necessary or required under the Capital Companies Act and other applicable legislation, and in particular authorise the Board so that, within the period and limits established for said execution, it may: set the date(s) of the capital reduction(s) to be made, as and when appropriate; determine the amount of the capital reduction; determine the use to be made of the amount thus reduced, furnishing, where

necessary, any guarantees and complying with any conditions that may be required by law; amend the wording of Article 7 of the Articles of Association to the new amount of capital; apply for delisting of the shares that are cancelled; and generally adopt any decisions that may be necessary for that cancellation and the consequent reduction of capital; and appoint the persons to participate in formalising these decisions.

JUSTIFICATION:

The purpose of the proposed resolution is in keeping with general practice on the part of listed companies, in the interest of shareholders, as envisaged and regulated in the Capital Companies Act and as approved by the General Meeting habitually in the past.

AGENDA ITEM TEN. PROPOSED RESOLUTION

To put to the vote, on an advisory basis, the Report on remuneration policy, in accordance with the provisions of article 61.ter of the Securities Market Act; the complete report is available to the shareholders as part of the documentation relating to this agenda item.

JUSTIFICATION:

In line with best international practices in the area of remuneration and in accordance with article 61.ter of the Securities Market Law, the Report on remuneration policy includes complete, clear and easy-to-understand information about the Company's remuneration policy approved by the Board of Directors. In compliance with that above-mentioned article, the Company has distributed the Report on remuneration policy, placing it at the disposal of the shareholders prior to the advisory vote.

AGENDA ITEM ELEVEN. PROPOSED RESOLUTION

Re-appoint, in accordance with the provisions of Article 204 of the Capital Companies Act, and following the corresponding proposal submitted by the Audit and Control Committee to the Board of Directors, the audit firm PricewaterhouseCoopers Auditores, S.L., with Tax ID Num. B-79031290, as auditor of the Company's and of the consolidated Group's financial statements for another one-year term.

JUSTIFICATION:

As the previous term of appointment has expired, the Company must appoint an Auditor. Re-election of the incumbent firm is proposed, under the terms of Article 204 of the Capital Companies Act.

AGENDA ITEM TWELVE. PROPOSED RESOLUTION

To expressly authorise the Chairman of the Board of Directors of Banco de Sabadell, S.A., Mr José Oliu Creus, the Secretary, Mr Miquel Roca i Junyent, and the Deputy Secretary of the Board, Mr José Luis Negro Rodríguez, or the persons who may replace them in their respective posts of Chairman, Secretary and Deputy Secretary, in order that any one of them, without distinction, may, on behalf of the Bank:

Take such steps as may be necessary to obtain the necessary authorisations or registrations from the Bank of Spain, Ministry of Economy and Competitiveness (Directorate-General of the Treasury and Finance Policy), and the National Securities Market Commission. Appear before a Notary for the purpose of executing the adopted resolutions in a public instrument, and take all steps that may be appropriate or necessary to achieve complete execution and registration thereof, as and when appropriate, in the corresponding public registries and, in particular, in the Mercantile Registry of the Province; this authorisation shall include the power to correct, clarify, interpret, specify or supplement, where appropriate, the adopted resolutions in any public instruments or documents that may be executed for implementation thereof and, in particular, any defects, omissions or errors, of form or content, that may impede registration of the resolutions adopted and of their consequences in the Mercantile Registry of the Province, and to incorporate, on their own authority, any modifications that may be necessary to this effect or that may be indicated verbally or in writing by the Mercantile Registrar or required by the competent authorities, with no need for further consultation with the General Meeting.

Take, in name of the Bank, all legal steps that may be necessary for execution and successful implementation of the foregoing resolutions.