Common Draft Terms of Merger

BETWEEN

UNICAJA BANCO, S.A.

(*as absorbing company*),

AND

LIBERBANK, S.A.

(*as absorbed company*)

Malaga and Madrid, 29 December 2020

CONTENTS

1. INTRODUCTION

Pursuant to the provisions of Articles 30, 31 and related provisions of the Spanish Law 3/2009 of 3 April, on Structural Changes in Companies ("**Law on Structural Changes**"), the undersigned, as members of the Board of Directors of Unicaja Banco, S.A. ("**Unicaja Banco**") and Liberbank, S.A. ("**Liberbank**") respectively, have drawn up and signed these common draft terms of merger ("**Draft Merger Terms**"), which will be submitted for approval by the General Meeting of Shareholders of Unicaja Banco and Liberbank, under that established in Article 40 of the Law on Structural Changes.

The content of these Draft Merger Terms is the following:

1.1 RATIONALE FOR THE MERGER

In recent years, the market has experienced a process of restructuring and progressive concentration of the banking sector, arising from the need for banks to improve their efficiency and reduce operating costs in a climate of long-term reduction of interest income as a result, among other factors, of low interest rates.

The mentioned trend is now reinforced due to the global pandemic caused by the COVID-19 and to the economic consequences derived from the said health crisis, with the outlook as of the date of a strong contraction of the global GDP and, especially of the Spanish GDP, as well as a significant increase of the unemployment rate. Although the origin of this new economic crisis is not related to the financial sector (and, in fact, it has reaffirmed the fundamental role of banks in supporting families and companies, which in many cases have seen their sources of income drastically cut), it is expected to cause interest rates to remain at very low levels, or even negative, for a period longer than expected. It will also cause a rise in defaulting and bad debt provisions, increasing even more the pressure on banks' profitability and, therefore, on the European banking sector trend to concentration, as the described backdrop requires seeking larger scales in the banking sector.

As of this date, Unicaja Banco and Liberbank have positioned themselves as the 8th and 12th credit entities in Spain, respectively, in terms of assets (7th and 11th respectively, if the Caixabank and Bankia integration is taken into account), after becoming stock-listed banks, updating and improving their corporate governance, and adapting to the new regulatory framework derived from Basel III. Notwithstanding the above, the mentioned context of health and economic crisis, along with other structural challenges faced by Spain and Europe banks (such as the above mentioned low interest rates or digital transformation, with the incorporation of new competitors from the technology sector), make the merger of Unicaja Banco and Liberbank a strategic opportunity to consolidate the position of both entities. Additionally, the mentioned strategic opportunity appears in a moment of clear preference and boost by the Single Supervisory Mechanism to concentration transactions as the one proposed herein and which, in addition to having a strategic rationale, will enable tackling from a stronger position the industry challenges, and, in particular, will enable reaching a greater number of clients with an optimised cost structure and jointly make digital transformation investments.

Following the merger, as per the public information available as of 30 September 2020, the combined entity will become the 6th credit entity in the Spanish market in terms of assets (the 5th if the integration

between Caixabank and Bankia is considered), the 6th in terms of deposits (the 5th if the integration between Caixabank and Bankia is considered), and the 7th in terms of gross lending to customers (the 6th if the integration between Caixabank and Bankia is considered).

From a commercial point of view, the integration of Unicaja Banco and Liberbank will allow the combined entity to expand its presence to 80% of the Spanish territory, with a limited overlapping in the geographical areas where they are currently present and where both institutions have a traditional presence. Furthermore, the complementarity of the network of branches and operation areas of the two entities will allow the combined entity to have leading market shares in, at least, four autonomous communities.

The merger of both companies presents a strong strategic fit, taking into account (i) the regional leadership of Unicaja Banco and Liberbank in their respective origin areas; (ii) the strong brand recognition of both entities, (iii) their very sound and comfortable liquidity structure, and (iv) their strong solvency position. Additionally, the retail banking that forms the core activity of both entities, with a significant share of the retail mortgage sector and an important volume of small and medium enterprise business, makes the cultural fit between the two entities.

1.2 TRANSACTION STRUCTURE

The legal structure chosen for integrating the businesses of Unicaja Banco and Liberbank is a merger, under the terms of articles 22 and following of the Law on Structural Changes in Companies.

In particular, the projected merger will occur by the absorption of Liberbank (the absorbed company) into Unicaja Banco (the absorbing company) with the extinction, via dissolution without liquidation, of Liberbank, and the transfer *en bloc* of all its equity to Unicaja Banco, which will acquire, by universal succession, all the rights and obligations of Liberbank. As a result of the merger, the shareholders of Liberbank will receive in exchange shares in Unicaja Banco.

2. IDENTIFICATION OF THE MERGING COMPANIES

2.1 UNICAJA BANCO (ABSORBING COMPANY)

Unicaja Banco, S.A. is a Spanish credit institution with registered address in Málaga, Avenida de Andalucía, 10-12, 29007, tax identification number A-93139053 and Legal Entity Identifier (LEI) 5493007SJLLCTM6J6M37.

Unicaja Banco is registered in the Trade Register of Malaga (*Registro Mercantil de Málaga*), Volume 4952, Book 3859, Section 8, Sheet MA-111580, Folio 1, 1st registration, and in the Special Register (*Registro Especial*) of the Bank of Spain with the number 2103.

As at the date of the present Draft Merger Terms, Unicaja Banco's share capital stands at 1,579,761,024.00 euros, divided into 1,579,761,024 nominative shares of 1 euro nominal value each, fully subscribed and paid up, and all of the same class and series, represented by book entries and admitted to trading on the stock exchanges of Madrid, Barcelona, Valencia and Bilbao through the Sistema de Interconexión Bursátil (Continuous Market -*Mercado Continuo*-). The book-entry records are

made and held by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal ("Iberclear").

2.2 LIBERBANK, S.A. (ABSORBED COMPANY)

Liberbank, S.A. is a Spanish credit institution with registered address in Camino de la Fuente de la Mora, 5, 28050 Madrid, with tax identification number A-86201993 and Legal Entity Identifier (LEI) 635400XT3V7WHLSFYY25. Liberbank is registered in the Trade Register of Madrid (*Registro Mercantil de Madrid*), in Volume 28.887, Folio 1, Section 8, Sheet M-520137, 1st registration, and in the Special Register (*Registro Especial*) of the Bank of Spain under the number 2048.

As at the date of the present Draft Merger Terms, Liberbank's share capital stands at 59,582,359.94 euros, divided into 2,979,177,997 nominative shares of two euro cents nominal value each, fully subscribed and paid up, and all of the same class and series, represented by book entries and admitted to trading on the stock exchanges of Madrid, Barcelona, Valencia and Bilbao through the Sistema de Interconexión Bursátil (Continuous Market -*Mercado Continuo*-). The book-entry records are entrusted to Iberclear.

3. MERGER EXCHANGE RATIO

3.1 EXCHANGE RATIO

The exchange ratio of the merging companies' shares, which has been set based on the real value of the equity of Unicaja Banco and Liberbank, will be of 1 newly issued Unicaja Banco share, with a nominal value of 1 euro (1€) per share, with the same characteristics and rights as those of the existing Unicaja Banco shares, for every 2.7705 Liberbank shares, with a nominal value of two euro cents (0.02€) per share. No complementary cash consideration, under the terms of Article 25 of the Law on Structural Changes, is foreseen to be given to Liberbank shareholders, without prejudice to the mechanism to facilitate the exchange and described below (section 3.4).

Mediobanca – Banca di Credito Finanziario S.p.A. ("Mediobanca"), Unicaja Banco's financial advisor for the merger, has issued on this date a fairness opinion addressed to the Board of Directors of this company, concluding that, at that date and based on the elements, limitations and assumptions contained in the opinion, the proposed exchange ratio is fair from a financial point of view for Unicaja Banco and its shareholders.

On the basis, among other topics, of these Draft Merger Terms and of the fairness opinion issued by Mediobanca, Unicaja Banco's Audit and Regulatory Compliance Committee, at its meeting held on 16 December 2020, reported favourably on the economic terms of the merger, its accounting impact and the exchange ratio, in accordance with article 4.f) of the *Regulations of the Audit and Regulatory Compliance Committee* (Reglamento de la Comisión de Auditoría y Cumplimiento Normativo).

Deutsche Bank, S.A.E. ("Deutsche Bank"), Liberbank's financial advisor for the merger, has issued on this date a fairness opinion addressed to the Board of Directors of this company, concluding that, at that date and based on the elements, limitations and assumptions contained in the said opinion, the

proposed exchange ratio is fair from a financial point of view for the shareholders of Liberbank as a whole.

On the basis, among other topics, of these Draft Merger Terms and of the fairness opinion issued by Deutsche Bank, Liberbank's Audit Committee, at its meeting held on 29 December 2020, reported favourably on the merger, in accordance with article 2.f).4 of the *General Regulations of the Audit Committee* (Reglamento General del Comité de Auditoría).

Pursuant to Article 33 of the Law on Structural Changes, the Boards of Directors of Unicaja Banco and Liberbank will each prepare a report giving a detailed explanation and justification of the legal and economic terms of these Draft Merger Terms, with special reference to the share exchange ratio (including the methodologies used in setting it) and any particular valuation difficulties, and to the implications of the merger for the shareholders of the merging companies, their creditors and employees.

The proposed exchange ratio will be subject to verification by the independent expert appointed by the Trade Register of Malaga, pursuant to Article 34 of the Law on Structural Changes (as explained in section 12 below).

3.2 MANNER OF COVERING THE EXCHANGE

Unicaja Banco will cover the exchange of Liberbank shares, set in accordance with the exchange ratio established in section 3.1, with newly issued shares.3.1

For that purpose, Unicaja Banco will carry out a capital increase in the sum needed to cover the exchange of Liberbank shares by the issue and circulation of the necessary number of new ordinary shares with a nominal value of one euro each, and with the same class and series of those already in circulation, represented by book entries. In accordance with the provisions of Article 304.2 of the Corporate Entreprises Act (*Ley de Sociedades de Capital*), there will be no preferential subscription rights and the subscription of those shares will be reserved to the holders of Liberbank shares.

Pursuant to Article 26 of the Law on Structural Changes, it is remarked that Liberbank shares held by Unicaja Banco, if any, and treasury shares held by Liberbank will not be exchanged in any case, but will be redeemed. It is stated that, as of the date of these present Draft Merger Terms, Unicaja Banco does not hold any Liberbank shares.

Taking into account the total number of Liberbank shares in circulation on the date of these Draft Merger terms (i.e. 2,979,117,997 shares, each with a nominal value of two euro cents each), the maximum number of Unicaja Banco shares to be issued to effect the merger exchange amounts to 1,075,299,764 ordinary shares of Unicaja Banco, each with a nominal value of one euro. This represents a capital increase of a maximum nominal sum of 1,075,299,764 euros. The sum of the capital increase may vary depending on the treasury shares held by Liberbank or any shares in Liberbank that Unicaja Banco, where applicable, holds when the merger is executed. For those purposes, it is noted that Liberbank currently has a liquidity contract in force and subscribed with a financial intermediary, so the number of treasury shares held by Liberbank could vary.

Unicaja Banco will request admission to trading for the new shares issued to cover the merger exchange on the Barcelona, Bilbao, Madrid and Valencia stock exchanges, for contracting via the Spanish Stock Exchange Interconnection System (Continuous Market), and will perform all required legal procedures.

3.3 EXCHANGE PROCEDURE

The exchange of Liberbank shares for Unicaja Banco shares will take place once:

(A) the merger has been agreed upon by the General Meeting of Shareholders of both companies;

(B) the conditions precedent in section 13 of this Draft Merger Terms have been met;

(C) the notarial instrument of merger has been registered with the Trade Register of Malaga (once qualified by the Trade Register of Madrid, stating –by note signed by the corresponding Registrar- the non-existence of registration impediments to the intended merger).

The exchange will be performed from the date indicated in the exchange notices that are required to be published on the companies' website and, as other relevant information, on the website of the Comisión Nacional del Mercado de Valores ("CNMV"). For that purpose, a financial institution will be appointed to act as exchange agent and will be indicated in the mentioned notices.

The exchange of Liberbank shares for Unicaja Banco shares will be carried out through the entities which participate in Iberclear and that are the depositaries of the Liberbank shares, following the procedures established for the book-entry system, in accordance with the provisions of the Spanish Royal Decree 878/2015 of 2 October on clearing, settlement and registration of tradable securities in the form of book entries, on the legal regime of central securities depositaries and central counterparty entities, and on transparency requirements in relation to information about issuers whose securities are admitted to trading in an official secondary market, and applying the provisions of Article 117 of the Spanish Corporate Entreprises Act.

As a consequence of the merger, Liberbank shares will be redeemed.

Finally, it should be noted that for the purposes of the merger and the related exchange, it will not be necessary for Unicaja Banco to register a prospectus with the CNMV, given that the said institution will publish, pursuant to the applicable regulations, the exemption document provided for in article 1, sections 4.g) and 5.f), of the Regulation (EU) 2017/1129 of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market.

3.4. MECHANISM TO FACILITATE THE EXCHANGE

Holders of a number of Liberbank shares which, under the agreed exchange ratio, does not entitle them to receive an integer number of shares of Unicaja Banco may acquire or transfer shares for the resulting shares to entitle them to, according to the mentioned exchange ratio, receive an integer number of Unicaja Banco shares.

Notwithstanding the above, the merging entities have decided to establish a mechanism for the number of Unicaja Banco shares to deliver to Liberbank shareholders under the exchange is an integer.

The said mechanism will consist in the appointment of a financial entity as an odd-lot dealer (*agente de picos*) to act as counterparty for the purchase of odd-lots of shares. This way, every shareholder of Liberbank shares which, under the agreed exchange ratio and taking into account the number of shares of Liberbank held, is not entitled to receive an integer number of Unicaja Banco shares or is entitled to receive an integer number of Unicaja Banco shares but then has a number of Liberbank shares left over that is insufficient to be entitled to receive an additional share of Unicaja Banco may convey those left-over Liberbank shares to the odd-lot dealer, who will pay their value in cash at the price set in the exchange notice.

With the approval of the merger by the General Meetings of Shareholders of Unicaja Banco and Liberbank, and unless otherwise expressly stated in writing, it will be understood that all Liberbank shareholders accept the system to acquire odd-lots by the fractions agent herein established, and they will not have to send instructions to the institutions where their shares are deposited, which will inform them of the result of the transaction once that it is concluded.

4. MERGER BALANCE SHEETS, ANNUAL ACCOUNTS AND VALUATION OF LIBERBANK'S ASSETS AND LIABILITIES TO BE TRANSFERRED

4.1 MERGER BALANCE SHEETS

In accordance with the provisions of Article 36.3 of the Law on Structural Changes, the merger balance sheets of Unicaja Banco and Liberbank will be replaced by their respective half-year reports required in compliance with securities market legislation, closed as of 30 June 2020 and made public by Unicaja Banco and Liberbank.

4.2 ANNUAL ACCOUNTS

For the purposes of Article 31.10 of the Law on Structural Changes, it is noted that the terms of the merger have been established based on the annual accounts of the merging entities for the year ended on 31 December 2019.

Both the mentioned annual accounts and the half-year financial reports replacing the merger balance sheets and referred to in section 4.1 above –along with the other documents referred to in Article 39 of the Law on Structural Changes- will be made available for shareholders, bondholders, holders of special rights and representatives of Unicaja Banco and Liberbank employees on Unicaja Banco and Liberbank websites (http://www.unicajabanco.com and http://www.liberbank.es) for browsing, downloading and printing prior to the publication of the call for the General Meetings of Shareholders to resolve on the merger.

4.3 VALUATION OF LIBERBANK'S ASSETS AND LIABILITIES TO BE TRANSFERRED

As a result of the merger by absorption of Liberbank by Unicaja Banco, Liberbank will be dissolved without liquidation, and all its assets and liabilities will be transferred *en bloc* to Unicaja Banco.

For the purposes of Article 31.9 of the Law on Structural Changes, it is noted that the assets and liabilities transferred by Liberbank to Unicaja Banco will be registered in Unicaja Banco's accounting at their fair value from the effective date of the merger for accounting purposes, in accordance with section 6 of these Draft Merger Terms.

5. DATE FROM WHICH THE EXCHANGED SHARES GIVE RIGHT TO PARTICIPATE IN THE EARNINGS OF UNICAJA BANCO

The shares delivered by Unicaja Banco in favour of Liberbank shareholders to cover the exchange, in compliance with the terms set in section 3 above, will confer the right to participate in the earnings of Unicaja Banco on the same terms and conditions as the rest of Unicaja Banco shares in circulation on that date, from the date of registration of the notarial instrument of merger with the Trade Register of Malaga.

6. EFFECTIVE MERGER DATE FOR ACCOUNTING PURPOSES

The date from which the transactions of the absorbed company are considered to be performed for accounting purposes by the absorbing company is the date resulting from the application of rule 44 of Circular 4/2017 of 27 November of the Bank of Spain, on credit entities, on the rules on public and reserved financial information and financial statement templates, the Recognition and Measurement Rule 19 of the Spanish National Chart of Accounts, approved by Royal Decree 1514/2007 of 16 November, and the International Financial Reporting Standard 3.

7. CONTRIBUTIONS OF LABOR, ANCILLARY OBLIGATIONS, SPECIAL RIGHTS AND SECURITIES OTHER THAN THOSE REPRESENTING CAPITAL

For the purposes of sections 3 and 4 of Article 31 of the Law on Structural Changes, it is hereby stated that neither in Unicaja Banco nor in Liberbank have shareholders made contributions of labor, and that there are no ancillary obligations, privileged special shares or holders of special rights other than simple holding of shares. Consequently, there is no need to grant any special right or to offer any kind of option.

The shares of Unicaja Banco which are delivered to the shareholders of Liberbank as a result of the merger will not grant any special rights to its holders.

It is hereby stated that with regard to the beneficiaries (employees, officers and executive directors) of Liberbank's share remuneration agreements, when the merger becomes effective, Unicaja Banco will replace Liberbank as the entity bound by those remuneration agreements, and the rights on Liberbank's shares will be automatically converted into rights on Unicaja Banco's shares, in accordance with the terms resulting from the exchange ratio established in these Draft Merger Terms. All mentions of Liberbank in the said remuneration agreements will be applicable to Unicaja Banco from the date the notarial instrument of merger is registered with the Trade Register of Malaga.

8. BENEFITS GRANTED TO DIRECTORS AND INDEPENDENT EXPERTS

No benefit will be granted to the directors of either merging entity nor to the independent expert intervening in the merger.

9. TAX REGIME

In accordance with article 89.1 of Law 27/2014 of 27 November on corporate tax, the proposed merger is subject to the tax treatment established in chapter VII of title VII and additional provision 2 of the aforementioned Law, and to Article 45, paragraph I.B.10, of Royal Legislative Decree 1/1993 of 24 September approving the consolidated text of the transfer tax and stamp duty. This tax treatment allows for companies to restructure while applying the concept of tax neutrality, provided that these transactions occur because of valid economic reasons, such as those set out in these Draft Merger Terms.

Within three months from the registration of the notarial instrument of merger, the transaction will be communicated to the Spanish Tax Agency (*Agencia Estatal de la Administración Tributaria*) in accordance with the provisions of articles 48 and 49 of the Corporate Tax Regulation approved by Royal Decree 634/2015 of 10 July.

10. BYLAWS OF THE RESULTING COMPANY

As part of the merger agreements, the amendments to the Bylaws detailed in Annex 10 of these Draft Merger Terms will be submitted to the General Meeting of Shareholders of Unicaja Banco for approval.

The resulting text of Unicaja Banco's bylaws is attached as Annex 10 bis to these Draft Merger Terms for the purposes of Article 31.8 of the Law on Structural Changes.

Furthermore, it is expected to adjust the Regulations of Unicaja Banco's General Meeting of Shareholders to the said amendments to the bylaws on the same General Meeting that will resolve on the merger, and consequently to amend Unicaja Banco's Board of Directors Regulations on the first Board of Directors meeting to be held after the merger becomes effective.

11. CONSEQUENCES OF THE MERGER FOR EMPLOYMENT, IMPACT ON THE GENDER BALANCE OF THE GOVERNING BODIES AND INCIDENCE ON THE CORPORATE SOCIAL RESPONSIBILITY

11.1 POSSIBLE CONSEQUENCES OF THE MERGER FOR EMPLOYMENT

As provided in Article 44 of the Spanish consolidated text of Workers' Statute Law (*Texto Refundido de la Ley del Estatuto de los Trabajadores*), approved by Royal Legislative Decree 2/2015 of 23 October, regulating succession of companies, Unicaja Banco will assume the labor rights and obligations of Liberbank's employees.

The merging entities will meet their obligations to inform and, where applicable, consult the legal representatives of their respective employees in accordance with the labor regulations. Notice of the planned merger will also be given to the appropriate public bodies, in particular the General Treasury of the Social Security Administration (*Tesorería General de la Seguridad Social*).

After the Merger, the combined entity will complete the analysis of overlappings, duplicities and economies of scale arising from the process. As of this date, no decision has been made in relation to the possible measures on employment that may be necessary to adopt in order to proceed to the integration of the workforce as a consequence of the merger. In any case, the integration of the

workforce will be carried out respecting the legal procedures established in any case, and especially, those related to the right to information and consultation to the workers' representatives, holding the corresponding meetings and negotiations to develop the mentioned workforce integration with the highest agreement between the parties.

11.2 POTENTIAL IMPACT ON THE GENDER BALANCE OF THE GOVERNING BODIES

It is expected that the merger will cause changes to the composition of the absorbing company's governing body which may affect its structure from the point of view of gender distribution.

In any case, both institutions intend to make the structure comply with recommendation 15 of the Good Governance Code (*Código de Buen Gobierno*), with the percentage of women directors being no lower than 30%.

11.3 INCIDENCE OF THE MERGER ON THE CORPORATE SOCIAL RESPONSIBILITY

The merger is not expected to modify Unicaja Banco's current corporate social responsibility policy.

12. APPOINTMENT OF AN INDEPENDENT EXPERT

Pursuant to the provisions of paragraph 2 of Article 34.1 of the Law on Structural Changes, the Boards of Directors of Unicaja Banco and Liberbank will apply to the Trade Register of Malaga (where the absorbing company is registered) for the appointment of an independent expert to prepare a single report on these Draft Terms of Merger, with the scope set in Article 34.3 of the mentioned Law.

13. CONDITIONS PRECEDENT

The effectiveness of the merger is subject to the following conditions precedent:

(i) Authorization of the Minister of Economic Affairs and Digital Transformation (*Ministra de Asuntos Económicos y Transformación Digital*), as established in the twelfth additional provision of the Law 10/2014 of 26 June on the regulation, supervision and solvency of credit institutions.

(ii) Authorization of the National Commission on Markets and Competition (*Comisión Nacional de los Mercados y la Competencia*) to the economic concentration resulting from the merger, in accordance with Law 15/2007 of 3 July on the defence of competition and related regulations.

(iii) Obtaining any other authorizations or non-objection statements that may be required or convenient to obtain from the European Central Bank, Bank of Spain, National Securities Market Commission (*Comisión Nacional del Mercado de Valores*), Directorate General of Insurance and Pension Funds (*Dirección General de Seguros y Fondos de Pensiones*) or any other administrative body or supervisory institution prior to the effectiveness of the merger, including, in particular, the non-objection of the European Central Bank to the supervening increase in the holding of Fundación Bancaria Unicaja in Unicaja Banco as a consequence of the capital reduction of the latter registered on 18 November 2020, so that, although transitorily until the merger is completed, the said shareholder is authorized to hold a percentage higher than 50% of Unicaja Banco capital share.

The Board of Directors of Unicaja Banco and Liberbank, by common agreement, or, if applicable, any person delegated by them, also by common agreement, may perform all the acts and adopt all the decisions required for requesting, processing and obtaining the abovementioned authorisations or non-objection statements or, to the extent legally possible and advisable, to renounce to any of the mentioned conditions precedent.

14. COMPLIANCE WITH THE OBLIGATIONS OF PUBLICATION AND INFORMATION BY THE BOARD OF DIRECTORS OF UNICAJA BANCO AND LIBERBANK WITH REGARD TO THE DRAFT TERMS OF MERGER

In compliance with the obligations set forth by Article 32 of the Law on Structural Changes, these Draft Terms of Merger will be posted on the websites of Unicaja Banco and Liberbank. The fact that they have been so posted will be announced in the Official Gazette of the Trade Register (*Boletín Oficial del Registro Mercantil*), mentioning Unicaja Banco's website (www.unicajabanco.com) and Liberbank's website (www.liberbank.es), as well as the insertion date.

The posting on Unicaja Banco and Liberbank websites and the announcement of this fact in the Official Gazette of the Trade Register will be done at least one month in advance of the date scheduled for the general meetings of shareholders that are to resolve on the merger. The website posting will remain for at least the time required by Article 32 of the Law on Structural Changes.

It is also noted that, pursuant to the provisions of Article 33 of the Law on Structural Changes, the Boards of Directors of Unicaja Banco and Liberbank, with the due advance, will each issue a report explaining and justifying in detail the legal and economic terms of the Draft Merger Terms, with special reference to the exchange ratio of the shares, to the special valuation difficulties that may exist, as well as to the implications of the merger for the shareholders of the merging entities, their creditors and employees.

These reports, as well as the documents mentioned in Article 39 of the Law on Structural Changes, will be posted on the abovementioned corporate websites of Unicaja Banco and Liberbank, in such a way that they can be downloaded and printed, prior to the publication of the notice of the call to general meetings of shareholders that are to resolve on the Merger.

Lastly, the Draft Merger Terms will be submitted to approval by the general meetings of shareholders of Unicaja Banco and Liberbank within six months of the date of these Draft Merger Terms, in accordance with the provisions of Article 30.3 of the Law on Structural Changes. The general meetings to resolve on the merger are expected to be held in the first quarter of 2021.

15. INTERIM PERIOD UNTIL THE MERGER IS EXECUTED

Unicaja Banco and Liberbank assume a special undertaking of good faith that obliges them to make their best endeavours to achieve the objectives established in these Draft Merger Terms, undertaking not to perform any act or enter into any contract, agreement or transaction that could compromise the achievement of those objectives.

In particular, from the date of these Draft Merger Terms and until the merger is registered (the "Interim Period"), Unicaja Banco and Liberbank undertake that their respective governing bodies, management teams and officers, and of the companies in their respective groups, will comply with Article 30.2 of the Law on Structural Changes and, in particular, will:

A) carry out their activity in the ordinary course of business and in accordance with their usual practices, observing sound and prudent management procedures in these practices, with the diligence of an orderly businessman and in compliance with the applicable regulations, in a manner largely coherent and consistent with their usual practices, without making any major changes to their strategy and management;

B) not perform any act or enter into any contract that could compromise the approval or execution of the merger or substantially amend its bases, terms and conditions by significantly altering the balance sheets of the entities, and thus affect the exchange ratio of the shares described in section 3.1.

   In particular, Unicaja Banco and Liberbank undertake, during the Interim Period, to make any final or interim dividend distribution, charged to reserves or results, in cash or in kind, or any other distribution on their share capital or reserves, if any, by common agreement between the parties and provided that the said distribution is neutral for the purposes of the exchange ratio described in section 3.1 above.

For the avoidance of doubt, actions taken in order to comply with regulatory requirements or at the instruction of the competent regulators or supervisors will not entail any breach of the covenants contained in this Section 15 of the Draft Merger Terms.

16. OTHER PROVISIONS REGARDING THE RESULTING COMPANY

16.1 REGISTERED ADDRESS

The registered address of Unicaja Banco, as the company resulting from the merger, will remain in Malaga.

16.2 CORPORATE GOVERNANCE

16.2.1 Partial renewal of the Board of Directors of Unicaja Banco

Owing to the merger, the partial renewal of the Board of Directors will be proposed to the General Meeting of Shareholders of Unicaja Banco, so that the Board is made up by 15 persons, according to the following structure:

(i) 7 proprietary directors, 4 of which will represent Fundación Bancaria Unicaja, and 3 will be proposed to the Board of Directors of Unicaja Banco by the Board of Directors of Liberbank in accordance with the provisions of section 16.2.3 below;

(ii) 6 independent directors, 4 of which will be proposed to the Board of Directors of Unicaja Banco by Unicaja Banco's Appointments Committee; and 2 will be proposed to the Board of Directors of Unicaja Banco by Unicaja Banco's Appointments Committee following a

proposal submitted to it by Liberbank's Appointments Committee, in accordance with the provisions of section 16.2.3 below; and

(iii) 2 executive directors: Mr. Manuel Azuaga and Mr. Manuel Menéndez.

16.2.2 Positions of the new Board of Directors

The current Chairman of the Board of Directors of Unicaja Banco, Mr. Manuel Azuaga, will maintain the executive duties currently assigned in Unicaja Banco. The Chairman will also exercise the rest of duties assigned by the Bylaws, Regulations of the General Meeting of Shareholders, Board of Directors' Regulations and the regulations in force, and will coordinate, as Chairman of the Board, the functioning of the said body and its Committees, for a better performance of the supervision function.

It is also expected that the new Board of Directors, once constituted, will appoint, at its first meeting, Mr. Manuel Menéndez, current CEO of Liberbank, as CEO, and he will have the responsibilities and duties of that position in Unicaja Banco, reporting directly to the Board of Directors.

In any case, in a maximum term of two years from the full effectiveness of the merger with its registration, the Board of Directors will modify Unicaja Banco's governance model, so that the Chair of the Board becomes non-executive and the functions of the CEO are adapted; it will revaluate the CEO and will adopt the resolutions that may be necessary in accordance with the provisions of article 249 of the Law on Corporate Entreprises.

16.2.3 Implementation of the partial renewal of the Board of Directors of Unicaja Banco

The structure of the Board of Directors of Unicaja Banco as the company resulting from the merger has received a positive assessment by Unicaja Banco and Liberbank governing bodies, which have considered it appropriate in relation to the rationale for the merger referred to in section 1.1 of these Draft Merger Terms.

With regard to the implementation of the partial renewal of the Board of Directors of Unicaja Banco in accordance with that set in section 16.2.1 above, (i) 3 of the 7 proprietary directors will be proposed to the Board of Directors of Unicaja Banco by the Board of Directors of Liberbank, prior report by Liberbank's Appointments Committee, without prejudice to the corresponding report by Unicaja Banco's Appointments Committee; (ii) 2 of the 6 independent directors will be proposed to the Board of Directors of Unicaja Banco by Unicaja Banco's Appointment Committee following a proposal submitted by Liberbank's Appointments Committee; and (iii) the remaining renewals which, when applicable, are performed will be made as per the usual procedures and assessments by the governing bodies of Unicaja Banco, all of the above prior to the call to the General Meeting to resolve on the merger and in accordance with Articles 12.3 and 32 of Unicaja Banco Board of Directors' Regulations and with articles 529 decies and 529 duodecies.4.h) of the Law on Corporate Enterprises.

It is the will of the merging companies to obtain the verification of the suitability of the new directors prior to the registration of the merger, so that they can take up their positions at the first meeting of the Board of Directors of Unicaja Banco following the merger effectiveness with the registration. In this regard, the Board of Directors of Unicaja Banco will start the corresponding procedure once the proposal to appoint

new directors has materialised, so that the said internal procedure is completed prior to the call to the General Meeting of Unicaja Banco to resolve on this Draft Merger Terms, and that their assessment by the competent authority may be started immediately following the said call, in order to have the said procedure completed before the merger registration.

In the case that any of the persons proposed to be appointed as member of the Board of Directors of Unicaja Banco does not obtain the mentioned suitability verification, does not accept the appointment or for any reason whatsoever the appointment cannot be made effective, the corresponding vacancy will be covered by a candidate with the same origin according to the provisions of this section 16.2.3, either by co-option by the Board of Directors of Unicaja Banco itself after the merger registration, or via appointment in a subsequent General Meeting.

16.3 ASSUMING THE CONTRACTS AND POWERS OF ATTORNEY OF THE ABSORBED COMPANY

In order to continue all operations and activities of the absorbed company without interruption, the merger will leave ratified and confirmed, in application of the principle of universal succession, the agreements, covenants and contracts entered into by Liberbank and the powers of attorney granted by Liberbank (that when the merger comes into force are duly registered with the Trade Register and have not been revoked, in accordance with the list attached to the notarial instrument of merger), via which Liberbank carries out the acts making up its financial activity and operations, and the powers of attorney for litigation granted by Liberbank in accordance with the list also attached to the notarial instrument of merger, all of which will remain in force with the same scope at that time, all being assumed as its own by Unicaja Banco. Under the foregoing, all persons granted these powers of attorney for business operations or litigation to act on behalf of Liberbank may continue, following the coming into force of the merger, to exercise the same powers on behalf of Unicaja Banco as if these powers had been directly granted by Unicaja Banco with the same extent and scope with which they were granted, as powers of attorney granted of the latter where they have not been revoked or replaced

Any other power of attorney granted to agents of Liberbank not included in the lists attached to the notarial instrument of merger is excluded from this ratification and confirmation.

Once the legal integration via the execution and registration of the notarial instrument of merger has occurred, the powers of attorney will be replaced progressively and as required in accordance with the authorisations and the powers of attorney policy of the resulting entity.

* * *

In compliance with the provisions of Article 30 of the Law on Structural Changes, Unicaja Banco and Liberbanks directors whose names are listed below, subscribe and authenticate these Draft Merger Terms in two (2) copies, with identical content and presentation, which have been approved by the Board of Directors of Unicaja Banco and Liberbank in their respective sessions held on 29 December 2020.

* * *

BOARD OF DIRECTORS OF UNICAJA BANCO, S.A.

_____	_____
Manuel Azuaga Moreno	Ángel Rodríguez de Gracia
Chairman	CEO
_____	_____
Juan Fraile Cantón	Victorio Valle Sánchez
Vice-Chairman	Vice-Chairman
_____	_____
Isabel Martín Castellá	Teresa Sáez Ponte
Director	Secretary Director
_____	_____
Ana Bolado Valle	Manuel Conthe Gutiérrez
Director	Director
_____	_____
Petra Mateos-Aparicio Morales	Agustín Molina Morales
Director	Director

_____	_____
Manuel Muela Martín-Buitrago	María Luisa Arjonilla López
Director	Director

Vicente Orti Gisbert, as deputy secretary of the Board of Directors, states that the meeting of 29 December 2020 of the Board of Directors of Unicaja Banco was held with simultaneous attendance from different locations connected by remote means. For this reason, the Draft Merger Terms are signed by the Chairman, with the signatures of the other members of the Board of Directors being replaced by a certificate issued by the deputy secretary, and recording in the minutes the abstention of the CEO, who has considered the existence of a conflict of interest.

BOARD OF DIRECTORS OF LIBERBANK, S.A.

_____	_____
Pedro Manuel Rivero Torre Chairman	Manuel Menéndez Menéndez CEO
_____	_____
Víctor Manuel Bravo Cañadas (representative of Cacexcan, S.L.) Director	Jorge Delclaux Bravo Director
_____	_____
María Grecna Director	María Encarnación Paredes Rodríguez Director
_____	_____
Ernesto Luis Tinajero Flores Director	Felipe Fernández Fernández Director
_____	_____
Luis Masaveu Herrero Director	María Garaña Corces Director

_____

David Vaamonde Juanatey
Director

Jesús María Alcalde Barrio, as secretary of the Board of Directors, states that the meeting of 29 December 2020 of the Board of Directors of Liberbank was held with simultaneous attendance from different locations connected by remote means. For this reason, the Draft Merger Terms are signed by the Chairman, with the signatures of the other members of the Board of Directors being replaced by a certificate issued by the secretary.

ANNEX 10 – AMMENDMENTS TO MAKE TO THE BYLAWS OF UNICAJA BANCO, S.A. DUE TO THE MERGER

Current wording	Proposed amendment
Article 5. Share Capital The share capital stands at ONE THOUSAND FIVE HUNDRED SEVENTY-NINE MILLION, SEVEN HUNDRED SIXTY-ONE THOUSAND AND TWENTY-FOUR EUROS (1,579,761,024€), divided into ONE THOUSAND FIVE HUNDRED SEVENTY-NINE MILLION, SEVEN HUNDRED SIXTY-ONE THOUSAND AND TWENTY-FOUR (1,579,761,024) nominative shares with a par value of ONE EURO (1.00€) each, fully subscribed and paid up, and all of the same class and series.	Article 5. Share Capital The share capital stands at ** (**-€)[1], divided into ** (**-€) nominative shares with a par value of ONE EURO (1.00€) each, fully subscribed and paid up, and all of the same class and series.

[1] It will depend on the capital increase owing to the merger.

Article 7. Issue of debentures 1. The Company may issue debentures under the terms established by law. 2. The General Meeting may delegate to the Board of Directors the authority to issue simple or convertible and/or exchangeable debentures, mortgage bonds or any other mortgage securities. The Board of Directors may use the said delegation in one or more occasion and over a maximum term of five years. Also, the General Meeting may authorize the Board of Directors to determine the time when the resolved issue will be executed and to set the other conditions not established in the General Meeting resolution.	Article 7. Issue of debentures 1. The Company may issue debentures under the terms established by law. 2. The General Meeting may delegate to the Board of Directors the authority to issue debentures that are convertible and/or exchangeable for shares, or debentures that give holders a share in the company earnings. The delegation may include the authority to exclude, if applicable, the preferential subscription right. The Board of Directors may use the said delegation in one or more occasion and over a maximum term of five years. Also, the General Meeting may authorize the Board of Directors to determine the time when the resolved issue will be executed and to set the other conditions not established in the General Meeting resolution. Without prejudice to the above, the Board of Directors will be competent to agree the issue and admission to trading of debentures not foreseen in paragraph 1 of this section, as well as to agree the granting of guarantees for the issue of debentures.
Article 9. The General Shareholders' Meeting 1. The shareholders, in a duly called General Meeting, may decide, by the majority established by law, on the matters that fall within the competence of the General Meeting. 2. The General Meeting will be governed by the Spanish Companies Act (Ley de Sociedades de Capital) with regard to its call, attendance, constitution and development. 3. Without prejudice to the above, only holders of one thousand (1,000) shares or more whose ownership has been registered in the corresponding book-entry record at least five (5) days before the day on which the Meeting is scheduled may attend the General Meeting. Each shareholder entitled to attend, as established above, will be given an attendance card which may only be replaced by a certificate of legitimacy showing that the attendance requirements are met. Holders of fewer shares may group together until they make up, at least, that number, and shall appoint their representative. 4. The General Meeting's Chairman and Secretary will be those holding the said positions at the Board of Directors. In case of absence, they will be replaced by those replacing them in their functions, and if not available, by those chosen by the General Meeting for each meeting.	Article 9. The General Shareholders' Meeting 1. The shareholders, in a duly called General Meeting, may decide, by the majority established by law, on the matters that fall within the competence of the General Meeting. 2. The General Meeting will be governed by the Spanish Companies Act (Ley de Sociedades de Capital), by the present Bylaws and by the Regulations of the General Shareholders' Meeting with regard to its call, attendance, constitution and development. The Board of Directors may agree to the holding and attendance to the General Meeting by remote and simultaneous means which duly guarantee the identity of those participating in the meeting and the cast of votes during the General Meeting. 3. Without prejudice to the above, only holders of one thousand (1,000) shares or more whose ownership has been registered in the corresponding book-entry record at least five (5) days before the day on which the Meeting is scheduled may attend the General Meeting. Each shareholder entitled to attend, as established above, will be given an attendance card which may only be replaced by a certificate of legitimacy showing that the attendance requirements are met. Holders of fewer shares may group together until they make up, at least, that number, and shall appoint their representative. 4. The General Meeting's Chairman and Secretary will be those holding the said positions at the Board of Directors. In case of absence, they will be replaced by those replacing them in their functions, and if not available, by those chosen by the General Meeting for each meeting.

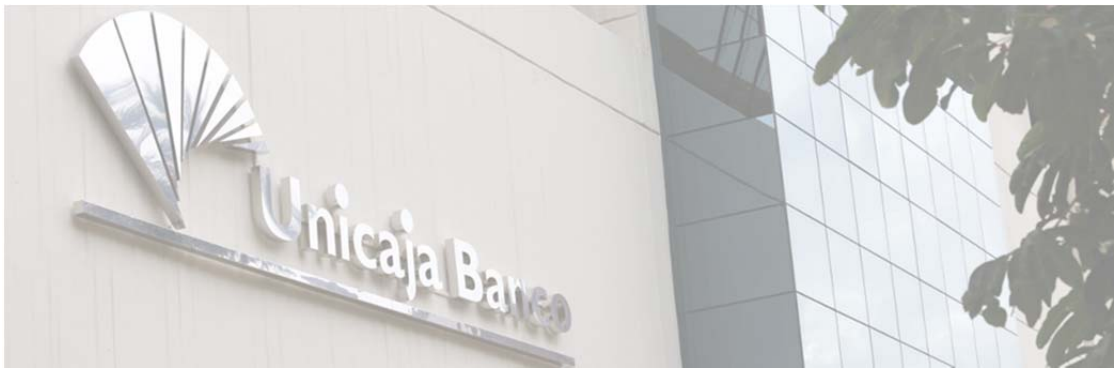
Article 11. Duties of the General Meeting The General Meeting shall adopt decisions on the matters that fall within its competence pursuant to the law and to the present Bylaws; specifically, it has the following duties: a) to appoint and remove the Directors, as well as to assess and approve their performance without prejudice to the powers of appointment by co-option legally attributed to the Board of Directors; b) to appoint and remove the account auditors; c) to approve, if appropriate, the annual accounts and to resolve on the allocation of profits; d) to approve the distribution of dividends without prejudice to the distribution of interim dividends legally attributed to the Board of Directors; e) to resolve to issue debentures and other negotiable securities; f) to resolve to increase or reduce the share capital and to issue securities convertible to or exchangeable by shares; g) to approve transactions of corporate restructuring (merger, splitoff, subsidiarisations, transformation, overall assignment of assets and liabilities and any other transaction similar to the previous); h) to approve, if appropriate, the Regulation on the Operation of the General Meeting; i) to approve any other amendment to the company bylaws without prejudice to the authority to change the registered office within the same municipal district legally attributed to the Board of Directors; j) to authorize the Board of Directors and to delegate to it powers related to the increase of share capital and issue of debentures or other negotiable securities, pursuant to that established in the applicable laws and in these Bylaws; k) to authorize the acquisition of own shares and transactions with them; l) to resolve on the admission to trading of the Company's shares in any organized secondary market; m) to resolve on the acquisition, disposal or contribution to other company of essential assets; n) to resolve on the Company's dissolution or liquidation, as well as on those transactions whose effect is equivalent to liquidation of the Company; and o) to decide on the matters that may be submitted by resolution of the Board of Directors; p) to deliberate and resolve on any other matters determined by the Laws on companies and the specific laws on credit institutions or the company bylaws.	Article 11. Duties of the General Meeting The General Meeting shall adopt decisions on the matters that fall within its competence pursuant to the law and to the present Bylaws; specifically, it has the following duties: a) to appoint and remove the Directors, as well as to assess and approve their performance without prejudice to the powers of appointment by co-option legally attributed to the Board of Directors; b) to appoint and remove the account auditors; c) to approve, if appropriate, the annual accounts and to resolve on the allocation of profits; d) to approve the distribution of dividends <u>in cash or in kind</u> without prejudice to the distribution of interim dividends legally attributed to the Board of Directors, <u>on the terms set in Article 31 of the present Bylaws</u>. e) to resolve to issue debentures and other negotiable securities; f) to resolve to increase or reduce the share capital and to issue securities convertible to or exchangeable by shares; g) to approve transactions of corporate restructuring (merger, splitoff, subsidiarisations, transformation, overall assignment of assets and liabilities and any other transaction similar to the previous); h) to approve, if appropriate, the Regulation on the Operation of the General Meeting; i) to approve any other amendment to the company bylaws without prejudice to the authority to change the registered office within the same municipal district legally attributed to the Board of Directors; j) to authorize the Board of Directors and to delegate to it powers related to the increase of share capital and issue of debentures or other negotiable securities, pursuant to that established in the applicable laws and in these Bylaws; k) to authorize the acquisition of own shares and transactions with them; l) to resolve on the admission to trading of the Company's shares in any organized secondary market; m) to resolve on the acquisition, disposal or contribution to other company of essential assets; n) to resolve on the Company's dissolution or liquidation, as well as on those transactions whose effect is equivalent to liquidation of the Company; and o) to decide on the matters that may be submitted by resolution of the Board of Directors; p) to deliberate and resolve on any other matters determined by the Laws on companies and the specific laws on credit institutions or the company bylaws.
Article 20. The Chairman of the Board of Directors 1. The Board of Directors shall appoint from among its members a Chairman who will exercise the maximum representation of the Company. In addition to the powers delegated by the law or Bylaws, the Chairman shall have the following powers in the exercise of his position:	Article 20. The Chairman of the Board of Directors 1. The Board of Directors shall appoint from among its members a Chairman who will exercise the maximum representation of the Company. In addition to the powers delegated by the law or Bylaws, the Chairman shall have the following powers in the exercise of his position:

a) To chair the General Meeting, to direct the discussion and deliberations, to arrange the interventions and replies, establishing even their duration, as well as to close a discussion when he considers that the issue has been sufficiently debated. b) To call and to chair the meetings of the Board of Directors and of the Executive Committee, as well as those of the Committees that the Board may establish and which he may have to chair. c) To set the agenda of the Board and Executive Committee meetings, as well as that of the created committees which he may have to chair, and to direct the discussions and deliberations. d) To implement the resolutions of the Board of Directors and the Committees. For that purpose, he will have the maximum representation powers, without prejudice to the delegations that the corresponding management body may grant to other members. **2.** In addition to the duties referred to in section 1 of this article, the Board of Directors may grant to the Chairman permanent executive powers, on the terms established in article 23 of these Bylaws.	a) To chair the General Meeting, to direct the discussion and deliberations, to arrange the interventions and replies, establishing even their duration, as well as to close a discussion when he considers that the issue has been sufficiently debated. b) To call and to chair the meetings of the Board of Directors and of the Executive Committee, as well as those of the Committees that the Board may establish and which he may have to chair. c) To set the agenda of the Board and Executive Committee meetings, as well as that of the created committees which he may have to chair, and to direct the discussions and deliberations. d) To implement the resolutions of the Board of Directors and the Committees. For that purpose, he will have the maximum representation powers, without prejudice to the delegations that the corresponding management body may grant to other members. 2. In addition to the duties referred to in section 1 of this article, the Board of Directors <u>may delegate to</u> the Chairman permanent executive powers, on the terms established in article 23 of these Bylaws.

Article 21. Other positions on the Board of Directors 1. The Board of Directors shall appoint from among its members one or more Vice- Chairmen, which may be executive, and shall determine, if applicable, their order of preference. In case of absence, vacancy or illness of the Chairman, his duties will be exercised by the Vice-Chairman, following the established order of preference; and in case of absence of all of them, by the eldest Director. 2. The Board of Directors shall appoint a Secretary and, if applicable, a Vice- Secretary, which may or not be Directors. In absence of the Secretary, his functions will be exercised by the Vice-Secretary and, in absence of both of them, by the Director appointed by the Board from among those present to the meeting in question. **3.** If the Chairman has the condition of executive director, the Board of Directors, with the abstention of executive directors, shall appoint necessarily a Leading Director from among the independent directors. The Leading Director will be especially entitled to request the call of the Board of Directors or the inclusions or new items on the agenda of an already called meeting, to coordinate and meet the non-executive directors and to direct, if applicable, the regular assessment of the Chairman.	Article 21. Other positions on the Board of Directors 1. <u>The Board of Directors shall appoint from among its members one or more Vice-Chairmen, and shall determine, if applicable, their order of preference.</u> In case of absence, vacancy or illness of the Chairman, his duties will be exercised by the Vice-Chairman, following the established order of preference; and in case of absence of all of them, by the eldest Director. 2. The Board of Directors shall appoint a Secretary and, if applicable, a Vice- Secretary, which may or not be Directors. In absence of the Secretary, his functions will be exercised by the Vice-Secretary and, in absence of both of them, by the Director appointed by the Board from among those present to the meeting in question. 3. If the Chairman has the condition of executive director, the Board of Directors, with the abstention of executive directors, shall appoint necessarily a Leading Director from among the independent directors. The Leading Director will be especially entitled to request the call of the Board of Directors or the inclusions or new items on the agenda of an already called meeting, to coordinate and meet the non-executive directors and to direct, if applicable, the regular assessment of the Chairman.
Article 23. Delegation of powers by the Board of Directors. Board Committees 1. The permanent delegation of powers by the Board of Directors to the Chairman, the Executive Committee, one or more Vice Chairman or one or more Chief Executive Officer, and the appointment of the directors to hold those positions, shall require the favorable vote of two thirds of the Board members. 2. The Board may appoint from among its member one or more Chief Executive Officer(s), providing him/her or them with the powers that it may consider appropriate, without delegating the powers reserved to the Board in full by the provisions of the laws, the Bylaws or the Board Regulations. 3. The Board may constitute an Executive Committee, with delegation of general decision-making powers. 4. The Board may constitute committees with supervision, information, advising and proposal-making duties in areas within its competence, and it must constitute an Audit and Regulatory Compliance Committee, a Risk Committee, an Appointments Committee and a Remuneration Committee. 5. The composition and operation of the Board Committees shall be governed, in those aspects not covered in the present Bylaws, by that established in the Board Regulations.	Article 23. Delegation of powers by the Board of Directors. Board Committees 1. <u>The permanent delegation of powers by the Board of Directors to the Chairman, the CEO and the Executive Committee</u>, and the appointment of the directors to hold those positions, shall require the favorable vote of two thirds of the Board members. 2. <u>The Board may appoint in any case a CEO</u>, providing him/her with the powers that it may consider appropriate, without delegating the powers reserved to the Board in full by the provisions of the laws, the Bylaws or the Board Regulations. 3. The Board may constitute an Executive Committee, with delegation of general decision-making powers. 4. The Board may constitute committees with supervision, information, advising and proposal-making duties in areas within its competence, and it must constitute an Audit and Regulatory Compliance Committee, a Risk Committee, an Appointments Committee and a Remuneration Committee. 5. The composition and operation of the Board Committees shall be governed, in those aspects not covered in the present Bylaws, by that established in the Board Regulations.
Article 24. Executive Committee 1. The Executive Committee will be composed of a minimum of 5 and a maximum of 7 Board members. The Chairman of the Board of Directors will be the Chairman of the Executive Committee. 2. The permanent delegation of powers to the Executive Committee and the resolutions to appoint its members will require the favorable vote of at least two thirds of the components of the Board of Directors.	Article 24. Executive Committee 1. The Executive Committee will be composed of a minimum of 5 and a maximum of 7 Board members. The Chairman of the Board of Directors will be the Chairman of the Executive Committee, <u>and the CEO will also be member of the said Committee</u>. 2. The permanent delegation of powers to the Executive Committee and the resolutions to appoint its members will require the favorable vote of at least two thirds of the components of the Board of Directors. 3. The permanent delegation of powers by the Board of

3. The permanent delegation of powers by the Board of Directors to the executive Committee may comprise all the Board's powers, with the exception of those which cannot be delegated by law, by the provisions of the present Bylaws or the Board Regulations. 4. The Executive Committee shall meet as often as called by its chairman. **5.** The Executive Committee will inform the Board of Directors of the matters and resolutions adopted in its meetings and will make available to the members of the Board a copy of the minutes of the meetings.	Directors to the executive Committee may comprise all the Board's powers, with the exception of those which cannot be delegated by law, by the provisions of the present Bylaws or the Board Regulations. 4. The Executive Committee shall meet as often as called by its chairman. 5. The Executive Committee will inform the Board of Directors of the matters and resolutions adopted in its meetings and will make available to the members of the Board a copy of the minutes of the meetings.
Article 31. Approval and filing of the annual accounts 1. The Company will prepare the annual accounts, which will include its own individual accounts and the Group's consolidated accounts. 2. The annual accounts will be submitted for approval by the Annual General Meeting. 3. Once the annual accounts have been approved, the General Meeting will resolve regarding the allocation of profits for the financial year. 4. If the General Meeting resolves to distribute dividends, it will determine the time and form of payment. It may also delegate this determination to the management body. 5. Within the month after approval of the annual accounts, the managers will present the said accounts for filing with the Companies Register of the registered office, in accordance with the regulations in force.	Article 31. Approval and filing of the annual accounts 1. The Company will prepare the annual accounts, which will include its own individual accounts and the Group's consolidated accounts. 2. The annual accounts will be submitted for approval by the Annual General Meeting. 3. Once the annual accounts have been approved, the General Meeting will resolve regarding the allocation of profits for the financial year. 4. If the General Meeting resolves to distribute dividends, it will determine the time and form of payment. It may also delegate this determination to the management body. The General Meeting, or the Board of Directors in the case of interim dividends, may agree the distribution of dividends, or of the share premium, in kind, provided that the goods or securities to be distributed are homogeneous and liquid and subject, when applicable, to the prior authorization by the competent supervisor in accordance with the applicable regulations. The liquidity requirement will be deemed to be met when the securities are admitted to trading on an official market in the moment of effectiveness of the distribution agreement, will be within the next year, or when the Company provides the appropriate liquidity guarantees. The regulation in this paragraph will also be applicable to the refund of contributions in cases of share capital reduction. 5. Within the month after approval of the annual accounts, the managers will present the said accounts for filing with the Companies Register of the registered office, in accordance with the regulations in force.

ANNEX 10 BIS – BYLAWS OF UNICAJA BANCO, S.A. POST-MERGER



BYLAWS OF

UNICAJA BANCO, S.A.

Consolidated text of the Bylaws of Unicaja Banco, S.A. post-merger

TABLE OF CONTENTS

TITLE I

Name, term, corporate purpose and registered office

Article 1. Name and applicable regulations

1. The Company is called UNICAJA BANCO, SOCIEDAD ANÓNIMA.

2. It was established exclusively by Monte de Piedad y Caja de Ahorros de Ronda, Cádiz, Almería, Málaga, Antequera y Jaén (Unicaja) as a means for the development of its indirect financial activity.

3. The Company is governed by these Bylaws and by the laws and provisions that may be applicable to it.

Article 2. Term

The Company has been established for an indefinite term and it commenced its operations –following the corresponding administrative authorizations– once it was registered in the Special Register of the Bank of Spain (Registro Especial del Banco de España).

Article 3. Corporate Purpose

1. The Company's purpose is to carry out all kind of activities, transactions, acts, contracts and services within the banking business, in general or directly or indirectly related to or complementary thereto, or that may be a development of it, provided that they are permitted or not prohibited by the current legislation.

   The Company's corporate purpose includes the provision of investment services and ancillary services, as well as the performance of the activities of an insurance agency, either exclusively or in association, without the simultaneous exercise of both activities.

2. The activities which make up the corporate purpose may be carried out, totally or partially, in an indirect manner, in any of the ways permitted by law, especially through the holding of shares or holding of interests in companies or in other institutions whose purpose is identical, similar or complementary to those activities.

3. The activities to be developed by the Company will be inspired by the principles of corporate social responsibility which have been present in it since its origin.

Article 4. Registered Office

1. The Company's registered office is located in Málaga, Avenida de Andalucía, nº 10-12.
2. The Board of Directors has authority to resolve to change the registered office within the same municipal district.
3. The Board of Directors also has authority to decide on the establishment, transfer and close of branches, agencies, representation and other offices, both in Spain and abroad.

TITLE II

Share capital, shares and issue of other securities

Article 5. Share Capital

The share capital stands **at ** (**-€)**[1], divided into **** (**-€)** nominative shares with a par value of ONE EURO (1.00€) each, fully subscribed and paid up, and all of the same class and series.

Article 6. Representation of shares

1. Shares will be represented by book entries and are constituted as such upon their registration in the corresponding accounting record. Given the nominal nature of the Bank's shares, the institution in charge of maintaining the accounting record of book entries, will notify the Company of transactions related to shares, to allow the Company to keep its own record with the identities of the shareholders.

2. Legitimation to exercise shareholder's rights, including transfer of shares, is obtained by the registration into the accounting record which presumes the lawful ownership and entitles the registered owner to request being re recognized as a shareholder by the Company. The said legitimation may be proved by exhibiting the corresponding certificates, issued by the institution in charge of maintaining the corresponding accounting record.

3. Should the Company make any compensation in favor of the holder as per the accounting record, it will be released from its corresponding obligation, even if the said holder is not the real holder of the share, provided that the Company has acted in good faith and without serious fault.

4. In the event that the person who appears legitimated in the entries of the accounting record has got the said legitimation under a fiduciary agreement or other similar title, the Company may demand that information is provided on the identity of the beneficial owners of the shares, as well as on any acts of transfer of and encumbrance thereof.

Article 7. Issue of debentures

1. The Company may issue debentures under the terms established by law.
2. The General Meeting may delegate to the Board of Directors the authority to issue debentures that are convertible and/or exchangeable for shares, or debentures that give holders a share in the company earnings. The delegation may include the authority to exclude, if applicable, the preferential subscription right.

   The Board of Directors may use the said delegation in one or more occasion and over a maximum term of five years.

   Also, the General Meeting may authorize the Board of Directors to determine the time when the resolved issue will be executed and to set the other conditions not established in the General Meeting resolution.

[1] It will depend on the capital increase owing to the merger.

Without prejudice to the above, the Board of Directors will be competent to agree the issue and admission to trading of debentures not foreseen in paragraph 1 of this section, as well as to agree the granting of guarantees for the issue of debentures.

Article 8. Issue of other securities

1. The Company may issue promissory notes, preferred shares, subordinated debt, as well as other negotiable or non-negotiable securities that recognize or create debt different from those in the previous articles.

2. The General Meeting may delegate to the Board of Directors the authority to issue the said securities. The Board of Directors may use the said delegation in one or more occasion and over a maximum term of five years.

3. Also, the General Meeting may authorize the Board of Directors to determine the time when the resolved issue is to occur and to set the other conditions not established in the General Meeting resolution, under the terms provided by law.

TITLE III

Company's Bodies

CHAPTER I

The General Shareholders' Meeting

Article 9. The General Shareholders' Meeting

1. The shareholders, in a duly called General Meeting, may decide, by the majority established by law, on the matters that fall within the competence of the General Meeting.

2. The General Meeting will be governed by the Spanish Companies Act (*Ley de Sociedades de Capital*), by the present Bylaws and by the Regulations of the General Shareholders' Meeting with regard to its call, attendance, constitution and development. The Board of Directors may agree to the holding and attendance to the General Meeting by remote and simultaneous means which duly guarantee the identity of those participating in the meeting and the cast of votes during the General Meeting.

3. Without prejudice to the above, only holders of one thousand (1,000) shares or more whose ownership has been registered in the corresponding book-entry record at least five (5) days before the day on which the Meeting is scheduled may attend the General Meeting. Each shareholder entitled to attend, as established above, will be given an attendance card which may only be replaced by a certificate of legitimacy showing that the attendance requirements are met.

   Holders of fewer shares may group together until they make up, at least, that number, and shall appoint their representative.

4. The General Meeting's Chairman and Secretary will be those holding the said positions at the Board of Directors. In case of absence, they will be replaced by those replacing them in their functions, and if not available, by those chosen by the General Meeting for each meeting.

Article 10. Types of General Meetings

1. General Meetings may be annual or extraordinary.

2. An Annual General Meeting will have as its purpose to approve, if applicable, the company management and the financial statements for the previous financial year, and to resolve as to the allocation of profits, as well as to approve, if applicable, the consolidated accounts, notwithstanding with the possibility to resolve on any other items on the agenda, provided that the number of shareholders and the part of the share capital required by law or by the bylaws, in each case, are present.

   The Annual General Meeting must be held within the first six months of each year to resolve on the previously mentioned matters. The Annual General Meeting will still be valid even if it is convened or held outside the mentioned time period.

3. Any General Meeting not provided for in the above section shall be deemed as an Extraordinary General Meeting.

4. All General Meetings, whether annual or extraordinary, are subject to the same rules of procedure and competence.

Article 11. Duties of the General Meeting

The General Meeting shall adopt decisions on the matters that fall within its competence pursuant to the law and to the present Bylaws; specifically, it has the following duties:

a) to appoint and remove the Directors, as well as to assess and approve their performance without prejudice to the powers of appointment by co-option legally attributed to the Board of Directors;

b) to appoint and remove the account auditors;

c) to approve, if appropriate, the annual accounts and to resolve on the allocation of profits;

d) to approve the distribution of dividends in cash or in kind without prejudice to the distribution of interim dividends legally attributed to the Board of Directors, on the terms set in Article 31 of the present Bylaws.

e) to resolve to issue debentures and other negotiable securities;

f) to resolve to increase or reduce the share capital and to issue securities convertible to or exchangeable by shares;

g) to approve transactions of corporate restructuring (merger, splitoff, subsidiarisations, transformation, overall assignment of assets and liabilities and any other transaction similar to the previous);

h) to approve, if appropriate, the Regulation on the Operation of the General Meeting;

i) to approve any other amendment to the company bylaws without prejudice to the authority to change the registered office within the same municipal district legally attributed to the Board of Directors;

j) to authorize the Board of Directors and to delegate to it powers related to the increase of share capital and issue of debentures or other negotiable securities, pursuant to that established in the applicable laws and in these Bylaws;

k) to authorize the acquisition of own shares and transactions with them;

l) to resolve on the admission to trading of the Company's shares in any organized secondary market;

m) to resolve on the acquisition, disposal or contribution to other company of essential assets;

n) to resolve on the Company's dissolution or liquidation, as well as on those transactions whose effect is equivalent to liquidation of the Company; and

o) to decide on the matters that may be submitted by resolution of the Board of Directors;

p) to deliberate and resolve on any other matters determined by the Laws on companies and the specific laws on credit institutions or the company bylaws.

Article 12. Minutes of the General Meeting

1. The Secretary of the General Meeting shall draw up the minutes of the meeting, which will be recorded in the corresponding minute book and which may be approved by the General Meeting at the end of the meeting or, alternatively, and within 15 days, by the Chairman of the General Meeting and two inspectors.

2. The corporate resolutions will be enforceable from the date of approval of the minutes on which they are recorded.

CHAPTER II

The Board of Directors

Article 13. Management Body

1. The Company will be managed by a Board of Directors which will be governed by the legal regulations that may be applicable and by the present Bylaws.

2. The Board of Directors will approve regulations containing its rules of operation and internal organization, the rules governing the Committees established in these Bylaws, in accordance with them, and other committees whose creation may be decided by the Board, as well as the code of

conduct of their members. The Board Regulations will be inspired by the best practices of good corporate governance of the sector. The Board of Directors will inform about the contents of the Regulations and their amendments to the Annual General Meeting immediately after the resolution is passed.

3. The Board of Directors will define a system of corporate governance to ensure a sound and prudent management of the institution. This will include the appropriate division of duties in the organization and the prevention of conflicts of interest. The Board of Directors will oversee the implementation of the said system and will be responsible for it. For that purpose, it will control and assess its effectiveness regularly and will adopt the necessary measures to solve its deficiencies.

Article 14. Duties of the Board of Directors

1. The Board of Directors will carry out its duties with unity of purpose and independence of judgment, giving the same treatment to all shareholders, driven by the interest of the Company and ensuring the respect to the rules, fulfillment of contracts, customs and good practices.

2. It is the competence of the Board of Directors to manage and represent the Company in the terms set out by the law and the Bylaws. The Board of Directors has the widest powers to manage and run the Company and, with the exception of the areas reserved to the competence of the General Meeting by the law or by the Bylaws, it is the highest decision-making body of the Company.

3. The Board shall exercise, without the possibility of delegation, those powers legally reserved to its direct knowledge, both by the laws on corporations and by laws specific to credit institutions, as well as such other powers which, required for a responsible performance of the general duty of supervision, may be set by the Board Regulations.

Article 15. Powers of representation

1. The representation of the Company in court and out of court corresponds to the Board of Directors, which will act collectively. This representation will extend to all the acts within the corporate purpose.

2. The Chairman of the Board of Directors has the power to represent the Company.

3. The Secretary of the Board and, if applicable, the Vice-Secretary, have the necessary representative powers to convert into public instruments the resolutions adopted by the General Meeting and by the Board, and to apply for registration thereof.

4. The provisions of this article are without prejudice to any other powers of attorney, whether general or special, that may be granted.

Article 16. Composition of the Board of Directors

1. The Board of Directors shall be composed of a minimum of eight members and a maximum of fifteen members, and the General Meeting shall determine the exact number of components.

2. It is not required to be a shareholder in order to be appointed member of the Board.

3. The members of the Board of Directors shall have recognized commercial and professional repute, adequate knowledge and expertise to carry out their duties and be ready to ensure good governance of the Institution.

4. Anybody who is in any of the cases of prohibition or incompatibility established by the law will not be able to be appointed member of the Board of Directors.

5. The Board of Directors shall work to ensure that the procedures for the selection of its members guarantee diversity with respect to matters such as age, gender, disability or training and professional experience, do not suffer from implicit bias which may involve any kind of discrimination and, in particular, facilitate the selection of women directors in a number which allow to reach a balanced presence of women and men.

Article 17. Term of office

1. The Directors will be appointed by the General Meeting to hold office for a term of three years, and may be re-elected one or more times for periods of the same term. The appointment of Directors will end when, once the term of office has expired, an Annual General Meeting has been held and they have not been re-elected or the period to hold an Annual General Meeting to resolve on the approval of the previous year accounts has expired.

2. The appointment of Directors that the Board designates by co-option will be deemed to have been made and will be in force until the date of the next Annual General Meeting, included, without prejudice to the ratification or revocation power that the General Meeting has. If the vacancy occurs when the General Meeting has been convened and before it has been held, the Board of Directors may appoint a Director until the next General Meeting is held.

Article 18. Meetings and resolutions of the Board of Directors

1. The Board of Directors will meet in ordinary session with the frequency legally established and, additionally, as often as considered necessary by its Chairman, who has the power to call it, either on his own initiative or on request of, at least, one third of the Directors. In the latter case, the Chairman will call the extraordinary meeting within a maximum term of three working days after the receipt of the request, for it to be held within the three following working days, including on the agenda the matters that make part of it.

2. The call to the meeting will be made by individual notice to all the Directors, detailing the agenda of the meeting, and it will be sent to them by any mean (fax, e-mail or letter) allowing to ensure its reception. The notice will be sent at least three days prior to the scheduled date of the meeting, except in those cases where, in the opinion of the Chairman, the urgency of the matters to consider requires not to delay the meeting. In that case, it will be called by the previous means and will be held sufficiently in advance to allow the Directors to fulfill their duty to attend.

3. Any person invited by the Chairman may attend the Board meetings.

4. For the Board of Directors to be validly constituted, it will be necessary the attendance, present or by proxy, of half plus one of its members. Also, the Board will be validly constituted without the need of

a call if the holding of the meeting and its planned agenda are unanimously accepted by those present in person or by proxy.

5. Meetings of the Board of Directors may also be held by videoconference, multiple conference call or other similar means that may exist in the future, except if one third of the Directors state their opposition to their use. In those cases, the resolutions are deemed as adopted in the registered office.

6. The Board of Directors may also adopt resolutions in writing (including fax or e- mail sent in advance and the later remittance of the original), without the need to hold a meeting, if none of the Directors opposes to this procedure.

7. Resolutions will be adopted by absolute majority of the Directors present at the meeting in person or by proxy, except in those cases in which a greater majority is required by the law or the Bylaws. In the event of a tie, the Chairman will have a casting vote.

8. All the Directors may issue their votes and extend proxies to other Directors, although non-executive directors may only grant it to other non-executive directors. Proxies will be granted on a special basis for the meeting of the Board it makes reference to, and may be communicated by any of the ways established in section 2 of this Article.

Article 19. Minutes of the Board of Directors

1. All resolutions adopted by the Board of Directors will be recorded in the minutes, which will be drawn up and signed by the Secretary and, in his absence, by the Vice-Secretary; in absence thereof, it will be drawn up and signed by the Director appointed as secretary of the meeting. In any case, the approval of the person acting as Chairman will be registered in the minutes.

2. The Chairman, the Vice Chairman or Vice Chairmen, the Chief Executive Officer(s) and the Secretary or Vice Secretary of the board, will be permanently authorized, jointly and severally, to arrange for attestation as public documents of the resolutions of the board of directors, all without prejudice to the express authorizations established in the applicable laws and regulations.

Article 20. The Chairman of the Board of Directors

1. The Board of Directors shall appoint from among its members a Chairman who will exercise the maximum representation of the Company. In addition to the powers delegated by the law or Bylaws, the Chairman shall have the following powers in the exercise of his position:

   a) To chair the General Meeting, to direct the discussion and deliberations, to arrange the interventions and replies, establishing even their duration, as well as to close a discussion when he considers that the issue has been sufficiently debated.

   b) To call and to chair the meetings of the Board of Directors and of the Executive Committee, as well as those of the Committees that the Board may establish and which he may have to chair.

   c) To set the agenda of the Board and Executive Committee meetings, as well as that of the created committees which he may have to chair, and to direct the discussions and deliberations.

d) To implement the resolutions of the Board of Directors and the Committees. For that purpose, he will have the maximum representation powers, without prejudice to the delegations that the corresponding management body may grant to other members.

2. In addition to the duties referred to in section 1 of this article, the Board of Directors may delegate to the Chairman permanent executive powers, on the terms established in article 23 of these Bylaws.

Article 21. Other positions on the Board of Directors

1. The Board of Directors shall appoint from among its members one or more Vice-Chairmen, and shall determine, if applicable, their order of preference. In case of absence, vacancy or illness of the Chairman, his duties will be exercised by the Vice-Chairman, following the established order of preference; and in case of absence of all of them, by the eldest Director.

2. The Board of Directors shall appoint a Secretary and, if applicable, a Vice- Secretary, which may or not be Directors. In absence of the Secretary, his functions will be exercised by the Vice-Secretary and, in absence of both of them, by the Director appointed by the Board from among those present to the meeting in question.

3. If the Chairman has the condition of executive director, the Board of Directors, with the abstention of executive directors, shall appoint necessarily a Leading Director from among the independent directors. The Leading Director will be especially entitled to request the call of the Board of Directors or the inclusions or new items on the agenda of an already called meeting, to coordinate and meet the non-executive directors and to direct, if applicable, the regular assessment of the Chairman.

Article 22. Re-election of positions on the Board of Directors

The Chairman, the Vice-Chairman or Vice-Chairmen and, if applicable, the Secretary and/or Vice-Secretary of the Board which may be re-elected as Board members by resolution of the General Meeting, shall continue to hold the posts that they had on the Board of Directors without the need to be re-elected and without prejudice to the power to revoke that the management body has with regard to those positions. The previous rule will not be applicable to chief executive officers or to Committee members.

Article 23. Delegation of powers by the Board of Directors. Board Committees

1. The permanent delegation of powers by the Board of Directors to the Chairman, the CEO and the Executive Committee, and the appointment of the directors to hold those positions, shall require the favorable vote of two thirds of the Board members.

2. The Board may appoint in any case a CEO, providing him/her with the powers that it may consider appropriate, without delegating the powers reserved to the Board in full by the provisions of the laws, the Bylaws or the Board Regulations.

3. The Board may constitute an Executive Committee, with delegation of general decision-making powers.

4. The Board may constitute committees with supervision, information, advising and proposal-making duties in areas within its competence, and it must constitute an Audit and Regulatory Compliance Committee, a Risk Committee, an Appointments Committee and a Remuneration Committee.

5. The composition and operation of the Board Committees shall be governed, in those aspects not covered in the present Bylaws, by that established in the Board Regulations.

Article 24. Executive Committee

1. The Executive Committee will be composed of a minimum of 5 and a maximum of 7 Board members. The Chairman of the Board of Directors will be the Chairman of the Executive Committee, and the CEO will also be member of the said Committee.

2. The permanent delegation of powers to the Executive Committee and the resolutions to appoint its members will require the favorable vote of at least two thirds of the components of the Board of Directors.

3. The permanent delegation of powers by the Board of Directors to the executive Committee may comprise all the Board's powers, with the exception of those which cannot be delegated by law, by the provisions of the present Bylaws or the Board Regulations.

4. The Executive Committee shall meet as often as called by its chairman.

5. The Executive Committee will inform the Board of Directors of the matters and resolutions adopted in its meetings and will make available to the members of the Board a copy of the minutes of the meetings.

Article 25. Audit and Regulatory Compliance Committee

1. The Audit and Regulatory Compliance Committee will be composed of a minimum of three and a maximum of five members, all of them non-executive directors, appointed by the Board of Directors from among its members.

   The majority of the Audit and Regulatory Compliance Committee members shall be independent directors and at least one of them will be appointed taking into account his/her knowledge and expertise in the areas of accounting, audit, and/or risk management.

2. The Chairman of the Audit and Regulatory Compliance Committee will be appointed from among the independent directors who compose it and will be replaced every four years, with the possibility to be re-elected one year after the end of his/her tenure.

3. The number of members, competences and rules of procedure of the Audit and Regulatory Compliance Committee will be those established in the Bylaws and in the Board of Directors Regulations, and will be construed in the most favorable way to its independent performance. The Committee will have, at least, the following competences:

   a) To inform the General Meeting on the issues that may arise on matters that fall within its competence and, in particular, on the result of the audit, explaining how it has contributed to the

integrity of the financial information and the functions carried out by the Committee in the process.

b) To oversee the effectiveness of the company's internal control, internal audit and risk management systems, as well as to discuss with the account auditors the relevant weaknesses of the internal control system detected in the course of the audit, all of that without damage to its independence. For those purpose, they may submit recommendations or proposals to the Board of Directors and the corresponding term for their monitoring.

c) To oversee the process of preparation and presentation of the regulated financial information and to submit recommendations or proposals to the Board of Directors, aimed at safeguarding its integrity.

d) To submit to the Board of Directors proposals for the selection, appointment, re-election and replacement of the account auditor, being responsible for the selection process, in accordance with the applicable regulations, as well as for the conditions of the hiring and for obtaining periodically from it information on the audit plan and its execution, in addition to preserving its independence in the performance of its functions.

e) To establish the appropriate relations with the account auditors in order to receive information, for examination by the Committee, on any matter that may entail a threat to the auditors' independence and on any other matters related to the development of the account auditing, and, when necessary, the authorization of services different from those prohibited, in the terms established in the applicable regulations, as well as to receive any other communications provided for in audit legislation and standards. In any event, the Committee must receive on an annual basis from the account auditors a written statement of their independence with regard to the company or entities directly or indirectly related to it, as well as information on the additional services of any kind provided to those entities by the mentioned auditors, or by people or entities linked to the auditor in accordance with the regulations on the audit account activity.

f) On an annual basis, prior to the issue of the account audit report, to issue a report expressing an opinion on whether the independence of the account auditors or audit firms is compromised. This report must assess, in any event, the provision of each and any of the additional services referred to in the previous paragraph.

g) To inform the Board of Directors in advance on all matters provided for in the law, Bylaws or Board Regulations, and specifically on the financial information that the Company must disclose periodically, on the creation or acquisition of shares in special-purpose entities or in entities domiciled in countries or territories considered tax havens, and on related-parties transactions.

4. The Audit and Regulatory Compliance Committee will meet, at least, four times a year, and as often as called by its Chairman, whenever he deems it is necessary or whenever required by resolution of the said Committee or requested by two of its members.

5. Through its Chairman, the Audit and Regulatory Compliance Committee will inform the Board of Directors, at least, twice a year.

6. The Board of Directors Regulations will develop and complete the rules above. In those aspects not covered by the law, Bylaws or the Board Regulations, the operation of the Committee will be additionally governed by the regulations related to the Board of Directors, as long as they are compatible with the nature of the Committee and with its independent performance.

Article 26. Risk Committee

1. The Risk Committee will be composed of a minimum of three and a maximum of five members, all of them without executive functions in the Institution, and having the adequate knowledge, capacity and expertise to fully understand and control the risk strategy and the Institution's risk appetite. At least one third of the Risk Committee members and, in any case, the Chairman, will be independent directors.

2. Without prejudice to the duties assigned by the law, the Bylaws or, in accordance with, the Board of Directors Regulations, the Risk Committee will have, among other, the following duties:

   a) To advise the Board of Directors on the global risk appetite, current and future, of the Institution and its strategy in this regard, and to assist the Board in overseeing the implementation of the mentioned strategy.

   b) To assess whether the prices for assets and liabilities offered to customers take full account of the business model and risk strategy of the institution. If the Committee notices that prices do not reflect risks properly in accordance with the business model and the risk strategy, it shall submit a correction plan to the Board of Directors.

   c) To determine, together with the Board of Directors, the nature, amount, format and frequency of the information on risks to be received by the Committee itself and by the Board of Directors.

   d) To collaborate to establish rational remuneration policies and practices. For that purpose, the Risk Committee shall assess, without prejudice to the duties of the Remuneration Committee, whether the foreseen incentive policy takes account of risks, capital, liquidity, probability and timing of profits.

3. In those cases not provided for in the present Bylaws, the Board of Directors Regulations will govern the quantitative and qualitative composition of the Risk Committee, as well as its rules of operation, internal regime and the code of conduct of its members.

Article 27. Appointments Committee

1. The Appointments Committee will be composed of a minimum of three and a maximum of five members, all of them without executive functions in the Institution. At least two of them and, in any case, the Chairman, will be independent directors.

2. The members of the Appointments Committee shall be appointed by the Board of Directors taking into account the knowledge, expertise and skills required for the functions to be carried out.

3. Without prejudice to other functions assigned by the law, the Company Bylaws or, in accordance with them, the Board of Directors Regulations, the Appointments Committee shall have, among

other, the following functions: the assessment of competencies, knowledge and expertise required in the Board, the definition of the functions and skills to be fulfilled by the candidates to cover each vacancy, and the assessment of the dedication for the good performance of their duties. The Committee shall also establish a target of representation for the less present gender in the Board of Directors and shall prepare guidelines on how to reach the said target.

4. The Board Regulations shall govern and develop the composition, the operation and the competences of the Appointments Committee.

Article 27 bis. Remuneration Committee

1. The Remuneration Committee will be composed of a minimum of three and a maximum of five members, all of them without executive functions in the Institution. At least two of them and, in any case, the Chairman, will be independent directors.

2. The members of the Remuneration Committee shall be appointed by the Board of Directors taking into account the knowledge, expertise and skills required for the functions to be carried out.

3. Without prejudice to other functions assigned by the law, the Company Bylaws or, in accordance with them, the Board of Directors Regulations, the Remuneration Committee shall have, among other, the following functions: to ensure observance of the remuneration policy established by the company, as well as to propose to the management body the remuneration policy for directors, senior managers, risk- taking employees, employees which exercise control functions or other similar categories, the individual remuneration of executive directors and other basic contractual conditions of senior managers, risk-taking employees, employees which exercise control functions or other similar categories, in accordance with the general laws for companies and with those specific for credit institutions. It will also prepare a specific report accompanying the proposal of the Board of Director's remuneration policy.

4. The Board of Directors Regulations will govern and develop the composition, operation and competences of the Remuneration Committee.

Article 28. Liability of directors

1. Directors shall be liable to the Company, to the shareholders, and to the Company's creditors for any damage they may cause by acts or omissions contrary to law or to the bylaws or by any acts or omissions contrary to the duties inherent in the exercise of their office.

2. Damage will be jointly and severally liable, except those members who can prove that, not having participated in the adoption and execution of such act or resolution, they were unaware of its existence, or, if aware of it, did everything that was appropriate to avoid the damage caused, or at least expressly opposed it.

3. Under no circumstances shall the fact that the act or resolution causing damage was approved, authorized or ratified by the General Meeting be considered grounds for a release from liability.

Article 29. Remuneration of directors

1. The position of director is remunerated. The remuneration policy for Board Members shall be subject to approval by the Annual General Meeting on the same terms as those established for listed companies.

2. The remuneration of directors due to their role as such shall be composed of a fixed remuneration and of attendance fees for the meetings of the Board of Directors and its Committees. The maximum annual aggregate remuneration amount that all Directors receive due to their role as such shall be approved by the General Meeting and shall remain unchanged until its modification is approved. The distribution of the remuneration among the different directors shall be responsibility, within the limits set in the policy for the remuneration of directors approved by the General Meeting, of the Board of Directors in the way that it determines, and it will take into account the duties and responsibilities allocated to each Director, their participation in Board Committees, the attendance to the meetings of the Board of Directors and its Committees and other objective circumstances which may be deemed relevant.

3. Executive Directors shall be entitled, too, to receive remuneration composed of: (a) a fixed part, adapted to the services and responsibilities assumed; (b) a variable part, correlated to any indicator of the performance of the Director and the Company; (c) an assistance part, covering the appropriate welfare and insurance systems; and (d) compensation in case of separation or any other way of termination of the legal relationship with the Company and which shall not be due to non-compliance attributable to the Director; all of that in accordance with the terms and conditions established in the corresponding contract that the executive director signs with the Company, according to the regulations in force.

   Determination of the amount of the remuneration items comprising the fixed part, the manner of configuring and indicators for calculation of the variable part, the assistance provisions, and the compensation or the criteria for calculation thereof, also corresponds to the Board of Directors, taking into account the remuneration policy.

4. Executive directors, as a part of the variable remuneration system determined by the Board of Directors in accordance with the remuneration policy applicable from time to time, shall be entitled to be remunerated by the delivery of shares or stock options, or by remuneration linked to the value of shares.

   The application of any of these remuneration modalities shall be previously agreed by the General Meeting of Shareholders, which shall determine the maximum number of shares that may be granted in each financial year, the strike price or the system for calculation of the strike price of stock options, the value of shares which, if applicable, will be considered as reference, and the period of duration of the plan.

5. Additionally, the Board Members shall be entitled to the reimbursement of any reasonable expense duly justified and directly related to the exercise of their position of Directors.

6. The Company shall take out a liability insurance for its Directors in the usual conditions and proportional to the circumstances of the Company itself.

7. In any case, the remunerations of the members of the Company's governing bodies shall be adjusted to the provisions which, on that matter, are established in the company and banking regulations.

TITLE IV

Other provisions

CHAPTER I

Financial year, annual accounts and dividends

Article 30. Financial year and annual accounts

1. The financial year will correspond to the natural year, starting on 1 January and ending on 31 December of each year.

2. Within a maximum term of three months after the close of each financial year, the Board of Directors will prepare the annual accounts, the management report, the proposal for allocation of profits and, if applicable, the consolidated accounts and management report.

3. The Board of Directors will arrange for definitive preparation of the accounts, in a manner that will not result in exceptions by the account auditor. Nevertheless, when the Board considers that it must maintain its position, it will publicly explain, through the Chairman of the Audit and Regulatory Compliance Committee, the content and scope of the discrepancy and will try for the auditor to explain the maintenance of its exceptions.

4. The annual accounts and the management report of the Company must be reviewed by the account auditor, appointed by the General Meeting prior to the end of the financial year to be audited, for a specified term that may not be less than three or more than nine years after the beginning date of the first financial year to be audited. The auditor may be re-elected by the General Meeting according to the applicable regulations.

Article 31. Approval and filing of the annual accounts

1. The Company will prepare the annual accounts, which will include its own individual accounts and the Group's consolidated accounts.

2. The annual accounts will be submitted for approval by the Annual General Meeting.

3. Once the annual accounts have been approved, the General Meeting will resolve regarding the allocation of profits for the financial year.

4. If the General Meeting resolves to distribute dividends, it will determine the time and form of payment. It may also delegate this determination to the management body.

   The General Meeting, or the Board of Directors in the case of interim dividends, may agree the distribution of dividends, or of the share premium, in kind, provided that the goods or securities to be distributed are homogeneous and liquid and subject, when applicable, to the prior authorization by the competent supervisor in accordance with the applicable regulations. The liquidity requirement

will be deemed to be met when the securities are admitted to trading on an official market in the moment of effectiveness of the distribution agreement, will be within the next year, or when the Company provides the appropriate liquidity guarantees. The regulation in this paragraph will also be applicable to the refund of contributions in cases of share capital reduction.

5. Within the month after approval of the annual accounts, the managers will present the said accounts for filing with the Companies Register of the registered office, in accordance with the regulations in force.

CHAPTER II

Annual Corporate Governance Reports and Remuneration Report. Website

Article 32. Annual Corporate Governance Report

1. The Board of Directors will approve an annual corporate governance report, whose content will be adapted to the legal provisions and regulatory requirements on its development.

2. The annual corporate governance report will be included in the management report, in a separated section.

3. The annual corporate governance report will be made available to the shareholders at the Company's website not later than the publication date of the call for the Annual General Meeting to resolve on the previous year annual accounts the mentioned report makes reference to.

Article 33. Annual report on remunerations

1. Together with the annual Corporate Governance report, the Board of Directors will prepare and make available to the shareholders an annual report on the remunerations of the Board members. This will include comprehensive, clear and easy to understand information on the company remuneration policy for the year and, if applicable, the expected remuneration policy for future years. It will also include a global summary on how the remuneration policy was applied during the financial year, as well as a breakdown of the individual remunerations received by each one of the Board Members.

2. This report will be disclosed in the same terms as the annual corporate governance report and will be subject to voting, with consultative nature, and as a separated item on the agenda, in the Annual General Shareholders' Meeting.

Article 34. Website

The Company will have a corporate website, whose content will be determined by the Board of Directors, in accordance with the legal and regulatory provisions that may by applicable.

CHAPTER III

Dissolution and liquidation

Article 35. Dissolution of the Company

The Company will be dissolved in the cases and subject to the requirements contemplated in the applicable legislation.

Article 36. Liquidation

1. The Company having been dissolved, all members of the Board of Directors with appointments in force and registered in the Companies Register, will become liquidators by law, composing the Liquidation Commission, unless the General Meeting has appointed other liquidators in the dissolution resolution.

2. In the case of conversion foreseen in section 1 above, the Chairman of the Board of Directors will become the chairman of the Liquidation Commission.

3. If the number of directors is not odd, the youngest director will not become a liquidator.

Article 37. Representation of the dissolved Company

1. In case of dissolution of the Company, the representation power will be vested in the liquidation body, composed by the liquidators described in Article 36 above, which will act collectively.

2. The Chairman of the Liquidation Commission will have the power to represent the dissolved Company.

Article 38. Payment of the liquidation share

The liquidation share will be paid to the shareholders, in whole or in part, in assets or rights originally contributed by each shareholder, on the terms established by the General Meeting.

Article 39. Remaining assets and liabilities

If, the Company having been extinguished and its entries in the Companies Register having been cancelled, new corporate assets or liabilities appear, the provisions of applicable legislation will apply.

CHAPTER IV

Other provisions

Article 40. Additional regulations

Any other subject not covered by the present Bylaws will be subject to that established in the Spanish Companies Act (Ley de Sociedades de Capital) in force and in other supplementary regulations, especially in those regulating the banking activity, where applicable.

Transitional Provision

With regard to Article 17.1 of the present bylaws, the term of office of the members of the Board of Directors in force as at the approval by the General Meeting of the corresponding statutory amendment will maintain its term of four years, applying only the three-year term for re-elections approved after that date.