

RULES AND REGULATIONS FOR THE GENERAL SHAREHOLDERS' MEETING

PREAMBLE

Following the recommendation of the Special Commission for the Promotion of Transparency and Security in the Financial Markets and Listed Companies (*Comisión Especial para el Fomento de la Transparencia y Seguridad en los Mercados Financieros y en las Sociedades Cotizadas*) and the legal mandate contained in Section 512 of the Spanish Capital Corporations Law, and taking into consideration the practice of Spanish listed companies with respect to the organization and holding of General Shareholders' Meetings, these Rules and Regulations for the General Shareholders' Meeting of Banco Santander, S.A. (hereinafter, the "Bank" or the "Company") have three purposes. First, they establish a rule of transparency by making public, pursuant to legal and by-law requirements, the procedures for preparing and holding General Shareholders' Meetings; second, they specify how the shareholders' voting rights are to be exercised on the occasion of the call to and holding of General Shareholders' Meetings; and, third, they attempt to systematize the process of organizing and holding the General Shareholders' Meeting, with the conviction that all of the foregoing will be to the benefit of the shareholders, this document constituting a required reference for their informed participation in the General Shareholders' Meetings.

TITLE I

INTRODUCTION

Article 1. Purpose

These Rules and Regulations govern the call, organization, information about, attendance at and holding of the General Shareholders' Meeting and the exercise of the pertinent voting rights on the occasion of the call to and holding of such Meetings, all of the foregoing in accordance with the provisions of Law and the Bylaws.

Article 2. General Shareholders' Meeting

1. The shareholders acting at a General Shareholders' Meeting constitute the sovereign decision-making body of the Company in those matters within their power.
2. Pursuant to the provisions of the Bylaws, the shareholders at a General Shareholders' Meeting may adopt resolutions on any matter pertaining to the Company, with the following powers being specifically reserved to them:
 - I. Approval of Rules and Regulations for the General Shareholders' Meeting that, subject to the provisions of Law and the Bylaws, shall govern the call, organization, information

about, attendance at and holding of the General Shareholders' Meeting, as well as the exercise of voting rights on the occasion of the call and holding of such Meetings.

- II. Appointment and removal of Members of the Board of Directors, as well as ratification or revocation of interim appointments of such Directors by the Board itself, and examination and approval of their performance and and exemption of the Directors from the legal prohibitions regarding conflicts of interest when the Law necessarily assigns such power to the shareholders at the General Shareholders' Meeting.
- III. Appointment and removal of the External Auditor and Liquidators.
- IV. Commencement of claims for liability against Members of the Board of Directors, Liquidators or the External Auditor.
- V. Approval, if appropriate, of the annual accounts and the corporate management and of resolutions on the allocation of earnings, as well as approval, also if appropriate, of the consolidated annual accounts.
- VI. Resolutions on the issuance of debentures or other fixed-income securities, any capital increase or decrease, the transformation, merger or split-off, the overall assignment of assets and liabilities, the relocation of the registered office abroad and the dissolution of the Company and, in general, any amendment to the Company's Bylaws, unless the Law assigns power to the directors regarding any of the foregoing matters.
- VII. Authorizing the Board of Directors to increase the capital stock, pursuant to the provisions of the Spanish Capital Corporations Law.
- VIII. Conferral upon the Board of Directors of such powers as they may deem advisable for unforeseen events.
- IX. Authorizing the acquisition of the Company's own stock.
- X. Deciding on the exclusion or limitation of pre-emptive rights, without prejudice to the possibility of delegating this power to the directors as provided by law.
- XI. Deciding upon matters submitted to the shareholders at the General Shareholders' Meeting by resolution of the Board of Directors.
- XII. Approving the director remuneration policy as provided by Law and deciding on the application of consistent compensation systems for the delivery of shares or rights thereto, as well as any other compensation system referencing the value of the shares, regardless of who the beneficiary of such compensation systems may be..
- XIII. Approving the transfer to subsidiaries of essential activities until that time carried out by the Company itself, though it may retain full ownership thereof.

- XIV. Approving the acquisition, disposition or contribution of essential operating assets to another company.
- XV. Resolutions approving transactions that would have an effect equivalent to the liquidation of the Company.
- XVI. Deciding or voting on any other matter assigned under the law or the Bylaws.

For purposes of the provisions in sub-sections XIII and XIV, the asset or activity shall be presumed essential if the amount of the transaction exceeds twenty-five percent of the value of the assets as recorded in the last balance sheet.

Article 3. Types of Shareholders' Meetings

The General Shareholders' Meeting may be Ordinary or Extraordinary.

The Ordinary General Shareholders' Meeting, which shall be previously called for such purpose, must be held within the first six (6) months of each fiscal year in order for the shareholders to review corporate management, approve financial statements from the prior fiscal year, if appropriate, and resolve upon the allocation of profits or losses from such fiscal year, as well as to approve, if appropriate, the consolidated accounts, without prejudice to their competence to deliberate and resolve on any other matter included in the agenda.

Any General Shareholders' Meeting not provided for in the foregoing paragraph shall be deemed an Extraordinary General Shareholders' Meeting.

TITLE II

CALL AND ORGANIZATION OF THE GENERAL SHAREHOLDERS' MEETING

Chapter I

Call to the General Shareholders' Meeting

Article 4. Call to the General Shareholders' Meeting

1. The General Shareholders' Meeting must be formally convened by the directors during the first six months of each fiscal year.

Furthermore, the directors shall call an Extraordinary General Shareholders' Meeting whenever they deem it advisable in the best interest of the Company. They must also call an Extraordinary General Shareholders' Meeting whenever shareholders holding at least three percent of the capital stock so request, and such request sets forth the matters to be addressed at the Meeting. In this event, the directors must call the General Shareholders' Meeting to be held within two months of the date on which a notarized request is submitted

to them for such purpose. The directors shall prepare the agenda, which must include the matters contained in the request.

2. The directors shall request the presence of a Notary Public to prepare the minutes of the General Shareholders' Meeting.

Article 5. Announcement of the Call to Meeting

1. The General Shareholders' Meeting must be called by the Board of Directors of the Company by means of an announcement published in the Official Bulletin of the Commercial Registry or in one of the more widely circulated newspapers in Spain, on the website of the National Securities Market Commission and on the Company's website (www.santander.com), at least one month prior to the date set for the Meeting, except in those instances in which a different period is established by law.
2. An extraordinary General Shareholders' Meeting may be called at least fifteen days in advance of the date set for such Meeting by means of a prior resolution expressly adopted at an ordinary General Shareholders' Meeting by shareholders representing at least two-thirds of the subscribed share capital carrying voting rights. Such resolution shall not remain in effect beyond the date set for the holding of the next ordinary General Shareholders' Meeting.
3. The announcement of the call to meeting shall state: (i) the name of the Company; (ii) the date and time of the meeting on first call, as well as the date on which, if applicable, the General Shareholders' Meeting shall be held on second call, in which case there shall be a period of at least twenty-four hours between the first and the second call; (iii) the agenda, which shall set forth all the matters to be addressed; (iv) the position of the person or persons making the call to meeting; (v) the date as of which the shareholders shall have the shares registered in their name in order to be entitled to participate in and vote at the General Shareholders' Meeting; (vi) the place and manner in which the full text of the documents and proposed resolutions may be obtained; and (vii) the name of the Company's website on which the information will be available.

In addition, the announcement shall contain clear and accurate information regarding the steps that the shareholders must take in order to participate in and cast their vote at the General Shareholders' Meeting, including, specifically, the following:

- (a) the right to request information and, when appropriate, to include items in the agenda and to submit proposed resolutions, as well as the deadline for exercise of such rights. However, in those cases in which the announcement sets forth the possibility of obtaining more detailed information regarding such rights on the Company's website, the announcement may only specify the deadline;
- (b) the system for proxy-voting, specifying the forms that must be used for delegation of the right to vote and the means that must be used in order for the Company to be able to accept an electronic notification of proxies granted; and

- (c) the procedures established to vote from a distance, whether by mail or by electronic means.
- 4. Shareholders representing at least three (3%) percent of the share capital may request the publication of a supplement to the call to Meeting including one or more items in the agenda, so long as such new items are accompanied by a rationale or, if appropriate, by a substantiated proposal for a resolution. In no event may this right be exercised in connection with the call to extraordinary General Shareholders' Meetings. This right to the publication of a supplement must be exercised by means of verifiable notice that must be received at the registered office within five days of the publication of the call to Meeting. The supplement to the call shall be published at least fifteen days in advance of the date set for the Meeting. Such supplement shall be disseminated in the same manner as the original announcement of the call to meeting.
- 5. Moreover, shareholders representing at least three (3%) percent of the share capital may submit, within the same period established in the preceding section, substantiated proposals for resolutions regarding matters that have already been included or must be included in the agenda for the General Shareholders' Meeting called.

Chapter II

Organization for the General Shareholders' Meeting

Article 6. Information Available as of the Date of the Call to Meeting

- 1. In addition to what is required by provisions of Law or the Bylaws, beginning on the date of publication of the announcement of the call and until the General Shareholders' Meeting is held, the Company shall maintain the following information continuously published on its website:
 - (i) the announcement of the call to meeting;
 - (ii) the total number of shares and voting rights on the date the meeting is called, with a breakdown by class of shares, if any such classes exist;
 - (iii) the documents that must be submitted to the shareholders at the General Shareholders' Meeting and, specifically, the reports prepared by directors, the external auditor and independent experts;
 - (iv) the full text of the proposed resolutions submitted by the Board of Directors regarding each and every one of the items on the agenda or, with relation to merely informative items, a report prepared by the competent bodies, containing a discussion of such items. The proposed resolutions, if any, submitted by the shareholders as provided by Article 5.5 above shall also be included in the order that they are received;

- (v) in the event of appointment, ratification or re-election of members of the Board of Directors, the identity, curriculum vitae and category to which each one of them belongs, as well as the proposals and reports of the Board of Directors or of the Appointments Committee, as applicable in each case pursuant to the Law, the Bylaws or the Rules and Regulations of the Board. In the case of a legal person, the information must include that corresponding to the physical person to be appointed to perform the duties of the position on a permanent basis; and
- (vi) the forms of the attendance, proxy-granting and distance voting card, unless they are sent directly by the Company to each shareholder. If they cannot be published on the website for technical reasons, the Company shall specify how to obtain the forms in paper format, which it shall send to all shareholders that request them. These forms shall be updated if the inclusion of new items on the agenda is requested or alternative proposed resolutions are submitted in accordance with applicable law.

Furthermore, when there is a supplement to the call to Meeting, the Company shall disclose as soon as possible via its corporate website the text of the proposals and rationales provided to the Company and to which such supplement refers, without prejudice to the publication of the supplement in the terms indicated in the foregoing article 5.

2. Without prejudice to the provisions of other paragraphs of these Rules and Regulations and the requirements of any legal or bylaw provisions, beginning on the date of the announcement of the call to meeting, such information as is deemed appropriate to facilitate the attendance of the shareholders at the General Shareholders' Meeting and their participation therein shall also be contained in the Company's website, including:
 - (i) Information on where the Meeting will be held, describing, if appropriate, how to gain access to the room.
 - (ii) Description of the mechanisms that may be used for granting proxies and distance voting.
 - (iii) Information, if appropriate, on systems or procedures to facilitate listening in on the meeting, such as means for simultaneous interpretation, broadcast using audiovisual media, information in other languages, etc.

Article 6.bis. Electronic shareholders' forum

On occasion of the call to General Shareholders' Meetings, an Electronic Shareholders' Forum shall be enabled for use on the Company's website, to which both individual shareholders and any voluntary associations that they may create as provided by law will have access, with all due assurances, in order to facilitate their communication prior to the holding of General Shareholders' Meetings. The following may be published in the Forum: proposals sought to be submitted as a supplement to the agenda announced in the call to meeting; requests for adherence to such proposals; initiatives aimed at reaching the percentage sufficient to exercise a minority right contemplated by law, and offers or solicitations of voluntary proxies. The Board of Directors may

further develop the foregoing provisions by establishing the procedure, time periods and other terms and conditions applicable to the operation of the Electronic Shareholders' Forum.

Article 7. Right to Receive Information Prior to the Holding of the General Shareholders' Meeting

From the first date of publication of the call to the General Shareholders' Meeting through and including the fifth day prior to the date provided for the first call to meeting, the shareholders may request in writing such reports or clarifications that they deem are required, or ask written questions that they deem pertinent, regarding the matters contained in the agenda. In addition, upon the same prior notice and in the same manner, the shareholders may request clarifications in writing regarding information accessible to the public which has been provided by the Company to the National Securities Market Commission since the holding of the last General Shareholders' Meeting and regarding the report submitted by the Company's external auditor.

All such requests for information may be made by delivery of the request to the Company's registered office, or by delivery to the Company via mail or other means of electronic or long-distance data communication sent to the address specified in the announcement of the meeting and in which the electronic document by virtue of which the information is requested includes an electronic signature or other means of identification of the shareholder, upon the terms set forth by the Board of Directors in a resolution adopted for such purpose to ensure that this system includes adequate assurances regarding authenticity and the identity of the shareholder exercising such right to receive information. The shareholder shall be responsible for maintaining proof of delivery of the request to the Company as and when due. The Company's website shall provide detailed explanations regarding the exercise of the shareholders' right to receive information in accordance with legal provisions.

The directors shall be required to provide the information requested pursuant to the preceding paragraphs in the form and within the periods provided by Law, except in cases in which (i) it is requested by shareholders representing less than twenty-five (25%) percent of share capital and it is not necessary for the protection of shareholder rights or there are objective reasons to consider that it might be used for *ultra vires* purposes or the publication thereof would harm the Company or related companies; (ii) the request for information or clarification does not refer to matters included in the agenda or information accessible to the public which has been provided by the Company to the National Securities Market Commission since the holding of the last General Shareholders' Meeting, or to the report submitted by the Company's external auditor; (iii) the information requested is deemed abusive for any reason; or (iv) legal or regulatory provisions provide otherwise.

If the information requested is clearly, expressly and directly made available to all the shareholders on the Company's website in question-and-answer form, the directors may limit their answers to a reference to the information provided in such form.

In the event of abusive or prejudicial use of the information requested, the shareholder shall be liable for the harm and loss caused.

The Board of Directors may authorise any of the Directors or its Secretary to respond on behalf of the Board to shareholder requests for information. Valid requests for information, clarification or questions submitted in writing in exercise of the right to receive information and the answers provided in writing by the directors shall be published on the Company's website and shall be made available to all the shareholders attending the Meeting at the beginning thereof.

Article 8. Proxies

Without prejudice to the provisions of the Bylaws, the right to attend the General Shareholders' Meeting may be delegated to any individual or legal person. Individual shareholders not enjoying full rights under civil law, and legal entities holding shares, may be represented by legal representatives who have been duly verified. In such cases, as well as in the event a shareholder delegates his right to attend, no shareholder may have more than one representative at the Shareholders' Meeting, except as provided in article 22.

Proxy representation conferred upon one who is legally ineligible to hold such proxy shall be null and void. A proxy is always revocable. Attendance at the Shareholders' Meeting, whether physically or by casting a distance vote, shall be equivalent to the revocation of such proxy, regardless of the date thereof. A proxy shall also be rendered void by any transfer of shares of which the Company becomes aware.

In cases where the directors of the Company make a public solicitation for proxies, the rules contained in the Spanish Capital Corporations Law and rules and regulations further elaborating upon the provisions thereof shall apply. In particular, the document evidencing the proxy must contain or attach the agenda, as well as the solicitation of instructions for the exercise of voting rights and the way in which the proxy-holder will vote in the event that specific instructions are not given, subject in all cases to the provisions of Law.

The delegation may also include those matters that the law allows to be dealt with at the General Shareholders' Meeting even when not provided for in the agenda. If the delegation does not include them, it shall be understood that the shareholder represented instructs his representative to abstain from voting on those items.

Without prejudice to the provisions of Section 187 of the Spanish Capital Corporations Law, proxies shall be conferred pursuant to the provisions of Sections 184.2 and 522 *et seq.* thereof.

When a proxy is granted by remote means of communication, it shall only be deemed valid if the grant is made:

- a) by hand-delivery or postal correspondence, sending the Company the duly signed attendance card and proxy, or by other written means that, in the judgment of the Board of Directors recorded in a resolution adopted for such purpose, allows for due confirmation of the identity of the shareholder granting the proxy and of the representative being appointed, or

- b) by electronic correspondence or communication with the Company, including an electronic copy of the attendance card and the proxy; such electronic copy shall specify the representation being granted and the identity of the party represented, and shall include the digital signature or other form of identification of the shareholder being represented, in accordance with the conditions set by the Board of Directors recorded in a resolution adopted for such purpose, to ensure that this system of representation includes adequate assurances regarding authenticity and the identity of the shareholder represented.

In order to be valid, a proxy granted by any of the foregoing means of remote communication must be received by the Company before midnight of the third day prior to the date the Shareholders' Meeting is to be held on first call. In the resolution approving the call to the Shareholders' Meeting in question, the Board of Directors may reduce the required notice period, disseminating this information in the same manner as it disseminates the announcement of the call to meeting.

Pursuant to the provisions of Article 34.5 of the Bylaws and 20.4 of these Rules and Regulations, the Board may also expand upon the foregoing provisions regarding proxies granted by remote means of communication.

TITLE III

HOLDING THE GENERAL SHAREHOLDERS' MEETING

Chapter I

Valid Formation of the Meeting

Article 9. Right to Attend

1. Shareholders who, pursuant to the provisions of Law and the Bylaws, hold any number of shares registered in their name in the corresponding book-entry registries at least five days prior to the day on which the General Shareholders' Meeting is to be held, are entitled to attend.

In order to attend the General Shareholders' Meeting, one must obtain the corresponding registered attendance card to be issued by the Office of the Secretary of the Bank with reference to the list of shareholders having the right to attend pursuant to the provisions of the Bylaws and applicable rules and regulations. This list shall be definitively closed five days prior to the date indicated in the call to meeting for holding the General Shareholders' Meeting.

2. The members of the Board of Directors must attend the General Shareholders' Meetings. The Chairman of the General Shareholders' Meeting may authorize the attendance of any person that the Chair deems appropriate. However, the Shareholders acting at the Meeting may revoke such authorization.

3. Upon entering the premises where the General Shareholders' Meeting is to be held, attendees shall be provided a copy of the text of the proposed resolutions to be submitted to the shareholders at the General Shareholders' Meeting, as well as the directors' reports and other documentation that are legally required to be made available to the shareholders with respect to the proposed resolutions.

Article 10. Mass Media

As a general rule, and in order to promote the broadest dissemination of the proceedings of its Meetings and the resolutions adopted, the mass media shall be given access to the General Shareholders' Meeting.

A videotape of the General Shareholders' Meeting shall also be available to facilitate the dissemination thereof.

Article 11. Logistics

1. Appropriate surveillance and protection measures, as well as systems for controlling access to the meeting, shall be established in order to ensure the safety of the attendees and the orderly conduct of the General Shareholders' Meeting.
2. Means allowing for the simultaneous interpretation of debate may also be made available when the number of attendees who do not speak Spanish so justifies or when it is deemed appropriate for any reason.

Article 12. Holding General Shareholders' Meeting

1. The General Shareholders' Meeting shall be validly established on first call with the attendance, in person or by proxy, of shareholders holding the corresponding minimum percentage of subscribed capital with the right to vote pursuant to the Spanish Capital Corporations Law or the Bylaws. If a sufficient quorum is not achieved, the General Shareholders' Meeting shall be held on second call.
2. The General Shareholders' Meeting shall be held within the municipality where the Company's registered office is located and at the place determined for such purpose by Board of Directors, which shall be indicated in the call to meeting. However, the Board of Directors may resolve that the meeting be held at any other place within Spain by so stating in the call to meeting.

If for any reason it is necessary to hold the meeting in separate premises, they shall have audiovisual media allowing real-time interactivity and communications between the premises and therefore continuity of the proceedings.

Article 13. Presiding Committee of the General Shareholders' Meeting

1. The Presiding Committee (*Mesa*) of the General Shareholders' Meeting shall be comprised of its Chairman and Secretary.
2. The Chairman of the Board of Directors or, in his absence, the Vice Chairman serving in his stead pursuant to the Bylaws and in the absence of both the Chairman and the Vice Chairman, the Director designated by the Board of Directors, shall preside over General Shareholders' Meetings, and the General Secretary of the Company shall serve as Secretary. In the absence, incapacity or vacancy of the Secretary, the Assistant Secretary shall serve in his stead, and in the absence of the Assistant Secretary, the Director designated by the Board of Directors. In the absence of any express designation pursuant to the foregoing, the shareholders elected by the shareholders present at the Meeting shall serve as Chairman and Secretary.

If for any reason during the course of the General Shareholders' Meeting the Chairman or the Secretary should have to leave the Meeting, the person to serve in their stead shall be designated pursuant to the provisions of the foregoing paragraph.

Article 14. Organization of the Meeting

The Chairman shall declare the existence of a valid quorum for the Shareholders' Meeting, direct and establish the order of debate and presentations and the times assigned thereto pursuant to the provisions of these Rules and Regulations, end the debate when the Chairman deems that an issue has been sufficiently discussed, order votes to be taken, resolve any questions that may arise in connection with the agenda, and in general, exercise all powers necessary for the proper organization and functioning of the General Shareholders' Meeting, including the interpretation of the provisions of these Rules and Regulations.

Article 15. Establishment of a Quorum

1. In the place and on the day provided, whether on first or second call, for the holding of the General Shareholders' Meeting, and beginning one hour prior to the time announced for the commencement of the meeting (unless otherwise specified in the notice of the call), the shareholders or their valid representatives may present their respective attendance cards, proxies and, if applicable, the documents evidencing their status as legal representative, to the staff responsible for the registration of shareholders. Any attendance cards and proxies submitted to the staff responsible for the registration of shareholders after the time established to commence the General Shareholders' Meeting shall not be accepted.

The registration of shareholders attending the meeting in person and by proxy shall be carried out through optical scanning or other similar technical media deemed appropriate. Once the process of registration of distance votes, attendance cards and proxies has been completed, if the existence of a sufficient quorum is declared, the Presiding Committee of the General Shareholders' Meeting shall be formed and the list of attendees shall be drawn up. The list of attendees, which shall include as present those shareholders who have cast votes from a distance, shall be contained in electronic media, the sealed cover of which shall

show the appropriate identification procedure signed by the Secretary to the General Shareholders' Meeting with the approval of the Chairman.

2. The shareholders or, if appropriate, their representatives who arrive late at the site of the General Shareholders' Meeting, once the acceptance of attendance cards and proxies has ended, may attend the Meeting (in the room in which it is held or, if the Company so deems advisable to avoid confusion during the Meeting, in an adjacent room from which they can observe the proceedings), but the list of attendees shall not include such shareholders and representatives (or their principals).
3. At the place and time and on the date set for holding the Meeting, either on first or second call, once the Presiding Committee is formed and the list of attendees is drawn up, the General Shareholders' Meeting shall be called to order.

Thereafter, the Chairman or, by his delegation, the Secretary, shall read aloud the overall data resulting from the list of attendees, stating the number of shareholders with the right to vote attending the Meeting in person or by proxy, the number of shares they own, and the percentage of capital they represent.

Once the Chairman or the Secretary has publicly announced this information, the Chairman shall declare the existence of a proper and sufficient quorum at the General Shareholders' Meeting on first or second call, as the case may be.

4. Once the establishment of a quorum for the General Shareholders' Meeting has been declared, and without prejudice to their right to make such statements as they deem appropriate during the shareholder presentation period, the attending shareholders may state to the Notary Public any reservation or protest they may have regarding the existence of a valid quorum for the General Shareholders' Meeting or regarding the overall information from the list of attendees which was previously read aloud, in order to duly record such reservation or protest in the minutes of the General Shareholders' Meeting, but such process shall not imply the delay, interruption or postponement of the normal proceeding of the Meeting.

Chapter II

Shareholder Presentation Period

Article 16. Requests to Make Presentations

Once the General Shareholders' Meeting has been validly established, the shareholders who, exercising their rights, wish to make a presentation to the Meeting and, if appropriate, request information or clarifications with respect to the agenda items or make proposals, shall identify themselves to the Notary Public or, per indication by the Notary Public, to the staff assisting him, stating their name and last name, the number of shares they own and for which they hold proxies. If they wish to have the literal text of their presentation be included in the minutes of the Meeting,

they must deliver it in writing at that time to the Notary Public, so that he may compare it to the actual presentation by the shareholder.

Once the Presiding Committee has the list of shareholders who wish to make presentations and the Chairman has presented such reports as he may deem appropriate and, in any event, before voting on the items included in the agenda, the shareholder presentation period shall commence.

Article 17. Presentations

Presentations by the shareholders shall occur in the order in which they are called for such purpose by the Presiding Committee.

The Chairman, considering the circumstances, shall determine the time initially allotted for each presentation, which shall be the same for all and never less than five minutes.

In the exercise of the Chairman's powers to preside over the Shareholders' Meeting, and without prejudice to other action that may be taken, the Chairman:

- (i) may extend the time initially allocated to each shareholder, when the Chairman so deems it appropriate;
- (ii) may request the presenting parties to clarify issues that have not been understood or which have not been sufficiently explained during the presentation;
- (iii) may call the presenting shareholders to order so that they limit their presentation to business properly before the Shareholders' Meeting and refrain from making improper statements or exercising their right in an abusive or obstructionist manner;
- (iv) may announce to the presenting parties that the time for their presentations will soon be ending so that they may adjust their discourse and, when the time granted for their presentation has ended, or if they persist in the conduct described in the paragraph (iii) above, may withdraw the floor from them; and (v) if the Chairman believes that their presentation might upset the proper order and normal conduct of the meeting, the Chairman may order them to leave the premises and, if appropriate, adopt the measures required for compliance with this provision.

Article 18. Information

During the presentation period, all shareholders may verbally request information or clarifications that they deem are necessary regarding the matters contained in the agenda, as well as clarifications regarding information accessible to the public which has been provide by the Company to the National Securities Market Commission since the holding of the last General Shareholders' Meeting or regarding the report submitted by the Company's external auditor. They must have previously identified themselves for this purpose in accordance with the provisions of Article 16 above.

The directors shall be required to provide the information requested pursuant to the preceding paragraph, except in those cases in which (i) it has been requested by shareholders representing less than twenty-five percent of share capital, and it is not necessary for the protection of shareholder rights or there are objective reasons to consider that it might be used for *ultra vires* purposes or the publication thereof would harm the Company or related companies; (ii) the request for information or clarification does not refer to matters included in the agenda, to information accessible to the public that the Company has provided to the National Securities Market Commission since the holding of the last General Shareholders' Meeting or to the report submitted by the Company's external auditor; (iii) the requested information or clarification is not needed to form an opinion regarding the matters submitted to the shareholders, or is deemed abusive for any reason; or (iv) legal or regulatory provisions so provide.

The requested information or clarification shall be provided by the Chairman or, if applicable and if directed by such Chairman, by the Chairman of the Audit Committee, the Secretary, a director or, if appropriate, any employee of the Company or expert on the matter.

If the information requested is clearly, expressly and directly made available to all the shareholders on the Company's website in question-and-answer form, the response to the shareholder may consist of a reference to the information provided in such form.

In the event of abusive or prejudicial use of the information requested, the shareholder shall be liable for the harm and loss caused.

In the event that it is not possible to satisfy the shareholder's right to receive information during the proceedings of the General Shareholders' Meeting, the directors shall provide the requested information in writing to the interested shareholder within seven days of the close of the Shareholders' Meeting.

Article 19. Proposals

Without prejudice to the possibility of submitting proposals for resolutions under the provisions of the Spanish Capital Corporations Law prior to the call to the General Shareholders' Meeting or to what is set forth in the Additional Provision of these Rules and Regulations for those attending by means of data transmission that permit their real-time connection, shareholders may, during the shareholder presentation period, submit proposed resolutions to the General Shareholders' Meeting regarding any matter on the agenda which is not legally required to be made available to the shareholders at the time the call to meeting is published, and regarding those matters that may be debated at the Shareholders' Meeting without such matters appearing on the agenda.

Chapter III

Voting and Documentation of Resolutions

Article 20. Voting by Distance Means of Communication

This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.

1. Shareholders having the right to attend the Meeting may cast their vote regarding proposals relating to the items included in the agenda of any General Shareholders' Meeting by the following means:
 - a) hand-delivery or postal correspondence, sending the Company the duly signed attendance card and ballot (together with the ballot form provided by the Company, if any), or other written means that, in the judgment of the Board of Directors recorded in a resolution adopted for such purpose, allows for due verification of the identity of the shareholder exercising his voting rights, or
 - b) electronic correspondence or communication with the Company, including an electronic copy of the attendance card and ballot (together with the ballot form provided by the Company, if any); such electronic copy shall include the digital signature or other form of identification of the shareholder, in accordance with the conditions set by the Board of Directors recorded in a resolution adopted for such purpose, to ensure that this system of voting includes adequate assurances regarding authenticity and the identity of the shareholder exercising his vote.

In order to be valid, a vote cast by any of the foregoing means must be received by the Company before midnight of the third day prior to the date the Shareholders' Meeting is to be held on first call. In the resolution approving the call to the Shareholders' Meeting in question, the Board of Directors may reduce the required notice period, disseminating this information in the same manner as it disseminates the announcement of the call to meeting.

2. Shareholders who cast votes from a distance pursuant to the provisions of this Article shall be deemed present for purposes of determining the establishment of a quorum for the Shareholders' Meeting in question. Therefore, any proxies granted by them prior to the casting of such vote shall be deemed revoked and any such proxies thereafter granted shall be deemed invalid.
3. Any vote cast from a distance as set forth in this Article shall be rendered void by physical attendance at the meeting by the shareholder who cast such vote or by a transfer of shares of which the Company becomes aware.
4. The Board of Directors may expand upon the foregoing provisions, establishing such instructions, rules, means and procedures to document the casting of votes and grant of proxies by remote means of communication as may be appropriate to the state of the technology, and conforming to any regulations issued in this regard and to the provisions of the Bylaws and these Rules and Regulations. Implementing rules adopted by the Board of Directors pursuant to the provisions hereof shall be published on the Company's website.

Furthermore, in order to prevent potential deception, the Board of Directors may take any measures required to ensure that anyone who has cast a distance vote or granted a proxy is duly empowered to do so pursuant to the provisions of the Bylaws and these Rules and Regulations.

Article 21. Voting on Proposed Resolutions

1. Once the shareholder presentations have ended and, if applicable, responses have been made pursuant to the provisions of these Rules and Regulations, the proposed resolutions regarding matters included in the agenda or which are not legally required to be set forth therein, including any proposals made by the shareholders during the meeting in accordance with applicable law, shall be submitted to a vote. All validly made proposed resolutions shall be submitted to a vote in the terms set forth below.

The adoption of resolutions shall proceed following the agenda set forth in the call to meeting. If there are alternative proposals regarding an item on the agenda, the Chairman shall decide the order in which they shall be submitted to a vote, which the Chairman shall also do if proposals have been made regarding matters that may be approved at the General Shareholders' Meeting without having appeared in the agenda. In any event, the favourable vote of the General Shareholders' Meeting of a proposed resolution with the necessary majority for its approval implies the rejection of those alternative proposals that are incompatible therewith. Likewise and pursuant to the provisions of article 23.5 below, when, at the time of voting, the Chairman of the General Shareholders' Meeting notes the existence of a sufficient number of votes to approve or reject the proposed resolutions, the Chairman may, expressly stating that such circumstance has occurred, declare them approved or rejected, as applicable, without prejudice to the statements that the shareholders may wish to make to the Notary Public regarding the meaning of their vote or abstention.

It shall not be necessary for the Secretary to previously read aloud the text of proposed resolutions which has been provided to the shareholders at the beginning of the meeting, except when so requested by any shareholder or deemed appropriate by the Chairman for some or all of the proposals. In any event, the attendees shall be told to which item on the agenda the proposed resolution being submitted to vote refers.

2. When various proposals are included under a single item of the agenda, they shall be voted upon separately. In particular, there shall be separate voting on the appointment of each director and, in the event of amendments to the Bylaws or these Rules and Regulations, each article or group of articles that are substantially independent. As an exception, all those proposals made that are configured as unitary or indivisible, such as those relating to the approval of a complete text of the Bylaws or the Rules and Regulations for the General Shareholders' Meeting, shall be voted on as a whole.
3. As a general rule, and without prejudice to the use of other alternative systems, at the election of the Chairman, voting on the proposed resolutions referred to in the preceding paragraph shall be carried out according to the following procedure:
 - (i) Voting on the proposed resolutions referring to items included in the agenda shall be by a system of negative deduction. To this end, the votes corresponding to all shares present in person or by proxy, less (a) the votes corresponding to the shares whose holders or proxies state their vote against or in blank, or abstain, by communication or statement of their vote or abstention to the Notary Public, in order for note to be taken

thereof for inclusion in the minutes, (b) the votes corresponding to the shares whose holders have voted against or in blank or have expressly stated their abstention by the means of communication to which the foregoing Article refers, and (c) the votes corresponding to the shares whose holders or proxies have left the meeting prior to the vote on the proposed resolution in question and have left a record of such departure with the Notary Public, shall be deemed votes in favour.

- (ii) Voting on the proposed resolutions referring to items not included in the agenda shall be by a system of positive deduction. To this end, the votes corresponding to all shares present in person or by proxy, less (a) the votes corresponding to the shares whose holders or proxies state their vote in favour, or in blank, or abstain, by communication or statement of their vote or abstention to the Notary Public, in order for note to be taken thereof for inclusion in the minutes, and (b) the votes corresponding to the shares whose holders or proxies have left the meeting prior to the vote on the proposed resolution in question and have left a record of such departure with the Notary Public, shall be deemed votes against.
- (iii) The communications or statements to the Notary Public provided for in the two foregoing paragraphs with respect to the direction of the vote or abstention may be made individually for each of the proposed Resolutions or together for several or all of them, stating to the Notary Public the identity and status - shareholder or proxy – of the person making such communication or statement, the number of shares to which it corresponds, and the direction of the vote or, if appropriate, the abstention.
- (iv) For the adoption of resolutions with respect to matters not included in the agenda, the shares of shareholders who have participated in the Shareholders' Meeting by distance voting shall not be deemed shares which are present in person or by proxy. For the adoption of any of the resolutions to which Sections 523 and 526 of the Spanish Capital Corporations Law or others in which the Law establishes any voting prohibition refer, the shares with respect to which no voting rights can be exercised based on the application of the provisions of said sections shall not be deemed shares present in person or by proxy.

Article 22. Fractional Voting

A proxy-holder may represent more than one shareholder, without limitations as to the number of shareholders represented. When a proxy-holder represents more than one shareholder, he may cast votes in different directions in accordance with the instructions given by each shareholder.

In addition, financial intermediaries that appear to have standing as shareholders in the book entry registries may divide their vote when required to carry out the voting instructions received from the various customers. These financial intermediaries may also delegate their vote to each one of the indirect holders or third parties designated thereby, without any limitation on the number of delegations granted.

In other cases, fractional voting shall apply when, in the opinion of the Chairman of the Meeting, it is required for good reason.

Article 23. Adoption of Resolutions and Announcement of Voting Results

1. Resolutions shall be approved by a simple majority of the voting shares represented in person or by proxy at the General Shareholders' Meeting, and a resolution shall be deemed approved when it obtains more votes in favour than against of the share capital represented in person or by proxy.
2. For the valid adoption of the resolutions relating to bylaw amendments, including increases and reductions of share capital, transformation, merger, split-off, the overall assignment of assets and liabilities and the relocation of the registered office abroad, the issuance of debentures or the exclusion or limitation of pre-emption rights, the favourable vote of more than half of the votes corresponding to the shares represented in person or by proxy at the General Shareholders' Meeting shall be required, except when on second call shareholders representing less than fifty percent of the subscribed share capital with the right to vote are in attendance, in which event the favourable vote of two-thirds of the share capital represent in person or by proxy at the General Shareholders' Meeting shall be required.
3. Excepted from the foregoing shall be those instances in which the Law or the Bylaws require a greater majority.
4. For the resolutions to which sub-section (iv), paragraph 3 of the preceding Article 21 refers, the shares that are not deemed present in person or by proxy pursuant to the provisions of said sub-paragraph shall be excluded from the basis for computing the majorities.
5. Once the Chairman has evidence of sufficient favourable votes, the Chairman shall declare the resolutions to be adopted, without prejudice to the statements that the attending shareholders may make to the Notary Public regarding the direction of their vote.

Article 24. Closure of the Shareholders' Meeting

The declaration that the meeting is adjourned shall correspond to the Chairman.

Article 25. Minutes of the Shareholders' Meeting

The notarial minutes shall be deemed the minutes of the Shareholders' Meeting, and shall not require approval.

Article 26. Publication of Resolutions

Without prejudice to registration with the Commercial Registry of recordable resolutions and applicable legal provisions regarding the publication of corporate resolutions, the same day the Shareholders' Meeting is held or the next business day, the Company shall send the text of the approved resolutions to the National Securities Market Commission, by means of a timely notice

of a significant event. The approved resolutions and the result of the votes shall also be accessible through the website of the Company within five days of the end of the General Shareholders' Meeting. In addition, at the request of any shareholder or their representative at the General Shareholders' Meeting, the Secretary shall issue a certification of the resolutions or of the notarial minutes.

Article 27. Publication of the Rules and Regulations for the General Shareholders' Meeting

Once approved, these Rules and Regulations for the General Shareholders' Meeting shall be accessible through the Bank's website, and the legal framework in which the General Shareholders' Meetings shall proceed shall also be published for the information of shareholders and investors, without prejudice to the provisions of the Bylaws and prevailing rules and regulations.

Additional Provision

Attendance at the Shareholders' Meeting by Distance Means of Communication in Real Time

The shareholders entitled to attend may attend the General Shareholders' Meeting using teleconference facilities that permit real time connection to the site(s) where the Meeting is being held, provided that the Board of Directors so resolves because the state of the technology permits. Specifically, the media that can be used for such purpose, and that the Board might allow, must permit assurance of the identity of the shareholders, the proper exercise of their rights, real time interactivity and proper order of the meeting.

Attendance of shareholders at the Shareholders' Meeting in this event shall be subject to the following rules, which the Board of Directors may expand upon and complete:

- (i) The call to meeting shall stipulate how long prior to the start of the Meeting a shareholder who wishes to attend the Shareholders' Meeting must connect in order to be deemed present. Any shareholder who makes the connection after the time established shall not be deemed present.
- (ii) Rights to information and vote shall be exercised by such electronic distance means of communication as permitted by the Bylaws and these Rules and Regulations. The Board of Directors shall determine the procedure and deadlines for the exercise of such rights during the course of the Shareholders' Meeting.
- (iii) Pursuant to the provisions of Section 182 of the Spanish Capital Corporations Law, the directors may, on occasion of the call to the Meeting, decide that the participation statements and proposed resolutions that those who will attend by means of data transmission may intend to submit as provided by law be sent to the Company in advance of the establishment of the Meeting.

- (iv) In addition, and except in the event that any of the circumstances for denial contemplated in the Law, the Bylaws or these Rules and Regulations is present, all requests for information or clarification submitted by remote attendees during the course of the Meeting shall be answered in writing within seven days, without prejudice to the possibility of responding to them during the meeting itself.
- (v) A shareholder wishing to attend the Shareholders' Meeting must identify himself by digital signature or some other form of identification, as determined by the Board of Directors in a resolution adopted to such end, providing adequate assurances of authenticity and the identity of the shareholder in question.

The Board of Directors may establish and update the media and procedures appropriate to the state of the technology to handle the remote attendance and casting of electronic votes from a distance during the holding of the Shareholders' Meeting, adapting, if appropriate, to the rules and regulations for this system and to the provisions of the Bylaws and these Rules and Regulations. Such media and procedures shall be published on the Company's website.

If due to technical circumstances not attributable to the Company, remote attendance at the Shareholders' Meeting in the expected manner should not be possible or during the Shareholders' Meeting there is an interruption of the communication or it is ended, this circumstance cannot be invoked as an illegitimate deprivation of shareholder rights.

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