

Dated: 7 June 2012

## **SERIES MEMORANDUM**

**BOIRO FINANCE B.V.**

*(incorporated with limited liability in The Netherlands and having its corporate seat in Amsterdam)*

EUR 5,000,000,000

Programme for the issue of  
Notes and the making of Alternative Investments

**Series 812 EUR 1,400,000 Index Linked Secured Limited Recourse  
Notes due 2017**

***The attention of investors is drawn to the section headed “Risk Factors” on page 4  
of this Series Memorandum***

**Banco Bilbao Vizcaya Argentaria, S.A.**  
As Dealer

This Series Memorandum incorporates by reference the contents of the programme memorandum (the “**Programme Memorandum**”) dated 28 March 2012 relating to Boiro Finance B.V. (the “**Issuer**”). This Series Memorandum is supplemental to, and should be read in conjunction with, the Programme Memorandum and the Programme described therein. Save as provided below, the Issuer has taken all reasonable care to ensure that the information contained in this Series Memorandum is true and accurate in all material respects and that in the context of the issue of the Notes, there are no other material facts which would make misleading any statement herein or in the Programme Memorandum. The Issuer accepts responsibility accordingly.

The Issuer accepts responsibility for the information contained in this Series Memorandum. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), such information contained in this Series Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

The delivery of this Series Memorandum at any time does not imply that any information contained herein is correct at any time subsequent to the date thereof.

The Notes are issued on the terms set out in this Series Memorandum read together with the Programme Memorandum.

This Series Memorandum does not constitute an offer of Notes and may not be used for the purposes of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Series Memorandum in any jurisdiction where such action is required.

No person has been authorised to give any information or to make any representation other than as contained in this Series Memorandum in connection with the issue or sale of the Notes and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer, the Dealer, the Trustee or any of them. Neither the delivery of this Series Memorandum nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof.

Particular attention is drawn to the sections of this Series Memorandum headed “Investor Suitability” and “Risk Factors”.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR ANY STATE SECURITIES LAWS, AND THE ISSUER IS NOT AND WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “**INVESTMENT COMPANY ACT**”). THE NOTES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT).

Each purchaser or holder of Notes will be deemed to represent that it is not, and for so long as it holds any Notes will not be, an employee benefit plan subject to the fiduciary responsibility provisions of ERISA, a plan subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended, a person or entity whose assets include the assets of any such employee benefit plan or plan by reason of 29 C.F.R. Section 2510.3-101 or otherwise, or any other employee benefit plan without regard to the federal, state, local or foreign law pursuant to which the plan is organized or administered, and such purchaser or holder is not using the assets of any such plan to acquire the Notes.

## RISK FACTORS

The following is a description of certain aspects of the issue of the Notes of which any prospective purchaser of Notes should be aware, but it is not intended to be exhaustive and any prospective purchaser of Notes should also read the detailed information set out elsewhere in this document and in particular, the attention of prospective purchasers of Notes is drawn to “Risk Factors” in the Programme Memorandum.

The purchase of any Notes involves substantial risks. Each prospective purchaser of Notes should be familiar with instruments having characteristics similar to the Notes and should fully review all documentation for and understand the terms of the Notes and the nature and extent of its exposure to risk of loss.

Before making an investment decision, prospective purchasers of, or investors in, Notes should conduct such independent investigation and analysis regarding the Issuer, the Notes, the Mortgaged Property, each Counterparty under a Charged Agreement and all other relevant persons and such market and economic factors as they deem appropriate to evaluate the merits and risks of an investment in the Notes. However as part of such independent investigation and analysis, prospective purchasers of Notes should consider carefully all the information set forth in the Programme Memorandum relating to the Programme and the Issuer and this Series Memorandum and the considerations set out below.

Investment in the Notes is only suitable for investors who:

- (1) have the requisite knowledge and experience in financial and business matters, and access to, and knowledge of, appropriate analytical resources, to evaluate the information contained in this Programme Memorandum and the relevant Series Memorandum and the merits and risks of an investment in the Issuer in the context of such investors’ financial, tax and regulatory circumstances and investment objectives;
- (2) are capable of bearing the economic risk of an investment in the Issuer for an indefinite period of time and the risk of the entire loss of any investment in the Issuer;
- (3) are acquiring the Notes for their own account for investment, not with a view to resale, distribution or other disposition of the Notes; and
- (4) recognise that there is no secondary market for the Notes, and no secondary market is expected to develop in respect thereof, so that the purchase of the Notes is suitable only for investors who can bear the risks associated with a lack of liquidity in the Notes and who are prepared to hold the Notes for an indefinite period of time or until the final redemption or maturity of the Notes.

The Issuer and the Arranger may, in their discretion, disregard interest shown by a prospective investor even though that investor satisfies the foregoing suitability standards.

### Limited Recourse

All payments to be made by the Issuer in respect of the Notes, Receipts and Coupons (if any) of each Series and any Charged Agreement relating to such Series will only be due and payable from and to the extent of the sums received or recovered from time to time by or on behalf of the Issuer or the Trustee in respect of the Mortgaged Property in relation to such Series of Notes (the “Relevant Sums”).

To the extent that the Relevant Sums are less than the amount which the holders of the Notes, Receipts and Coupons (if any) and any Counterparty expected to receive (the difference being referred to herein as a “**shortfall**”), such shortfall will be borne, following enforcement of the security for the Notes, in the inverse of the order of priorities on enforcement specified in Condition 4(d), unless otherwise provided in the applicable Series Memorandum and the related Constituting Instrument and/or Additional Charging Instrument, if applicable.

### ***Charged Assets***

To the extent that the nominal amount and/or market value of the Charged Assets is at any time less than the nominal amount and/or market value of the Notes and the other obligations secured on the Mortgaged Property, investor’s exposure to the other assets comprising the Mortgaged Property, the Counterparty and the other obligors in respect thereof is increased.

The Initial Collateral Securities (as defined in paragraph 9 of the Terms of the Notes) are due to be redeemed in 2014, the Counterparty may, but is not obliged to, replace the Initial Collateral Securities with other senior debt securities of Banco Bilbao Vizcaya Argentaria, S.A. (“**BBVA**”). To the extent that the Counterparty does not replace such securities, there will not be Charged Assets for the Notes and the exposure to BBVA as Counterparty will increase. Furthermore, the Counterparty has the option to replace at any time the securities forming part of the Charged Assets with any other securities which meet the Collateral Securities Criteria (as defined in paragraph 9(ii) of the Terms of the Notes), in making such replacements the Counterparty shall have no duty or obligation to take into account the interests of the Issuer, the Noteholder or any other third party.

### ***.Limitation on claims against the Issuer***

There can be no assurance that the amount payable on any early redemption or enforcement of the security for the Notes will be equal to the outstanding principal amount of the Notes. Any shortfall in payments due to the Noteholders will be borne in accordance with the Priority of Payments specified in Paragraph 11 of “the Terms and Conditions of the Notes”, and any claims of the Noteholders remaining after a mandatory redemption of the Notes or a realisation of the security and application of the proceeds as aforesaid shall be extinguished. None of the Programme Parties or the obligors under the Mortgaged Property (other than the Issuer) has any obligation to any Noteholder for payment of any amount owing by the Issuer in respect of the Notes.

### ***Limited liquidity***

There is currently no market for the Notes and there can be no assurance that any secondary market will develop and, if a secondary market does develop, that it will provide Noteholders with liquidity of investment or that it will continue for the life of the Notes. Consequently, a purchaser must be prepared to hold the Notes for an indefinite period of time.

### ***Early Redemption of the Notes under Conditions 7 (b), 7 (c) or 9***

The Notes may be subject to early redemption under Condition 7 (b) Mandatory redemption, Condition 7 (c) Redemption for taxation and other reasons, and Condition 9 Events of Default. In the event that the Notes are redeemed prior to the Maturity Date in accordance with such provisions, it is very unlikely that the funds available to the Issuer for making payments in respect of interest and principal amounts of the Notes will be sufficient. Accordingly, if the Notes are subject to early redemption under any of such provisions, investors are exposed to the loss a substantial part or, even, all of their investment on the Notes, including both principal and accrued interest.

### ***Credit Considerations***

A prospective purchaser of the Notes should have such knowledge and experience in financial and business matters and expertise in assessing credit risk that it is capable of evaluating the merits, risks and suitability of investing in the Notes including any credit risk associated with the Issuer, any Counterparty or other obligor with respect to the Mortgaged Property. None of the Issuer, any of the Programme Parties or any of their respective affiliates will have any responsibility or duty to make any such investigations, to keep any such matters under review or to provide the prospective purchasers of the Notes with any information in relation to such matters or to advise as to the attendant risks.

Prospective purchasers of Notes should take into account, when making a decision as to whether or not to invest in the Notes, that the timing of redemption of the Notes, the amount due to be paid upon redemption of the Notes and the timing and the amount of any interest and principal due on the Notes is dependent on the performance of the Charged Agreement.

### ***Taxation***

Each Noteholder will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Notes. The Issuer will not pay any additional amounts to Noteholders to reimburse them for any tax, assessment or charge required to be withheld or deducted from payments in respect of the Notes.

### ***Legality of purchase***

None of the Issuer, any of the Programme Parties or any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective purchaser of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective purchaser with any law, regulation or regulatory policy applicable to it.

### ***Arm's-length contractual counterparty***

The Counterparty is merely an arm's-length contractual counterparty to the Issuer and is not its financial adviser or fiduciary.

### ***Volatility***

The market value of the Notes (whether indicative or firm) will vary over time and may be significantly less than par (or even zero) in certain circumstances. The Notes may not trade at par or at all.

### ***Investments in Index Linked Notes***

Index Linked Notes are debt securities which do not provide for predetermined redemption amounts.

An investment in Index Linked Notes therefore entails significant risks that are not associated with similar investments in a conventional fixed or floating rate debt security. These risks include, among other things, the possibility that the index may be subject to significant fluctuations in their value.

### ***Exposure to the Swap***

The investor will be exposed to the risk of the swap counterparty and to the market exposure of the cross currency swap.

## TERMS AND CONDITIONS

### BOIRO FINANCE B.V.

#### EUR 5,000,000,000 Programme

#### For the issue of Notes and the making of Alternative Investments

Issue of Series 812 EUR 1,400,000 Index Linked Secured Limited Recourse Notes due 2017  
(the “Notes”)

The following shall complete, modify and amend the Master Conditions (March 2012 Edition)(Ref: MCMarch2012) in the form signed for the purposes of identification by Banco Bilbao Vizcaya Argentaria, S.A. on 28 March 2012 as specified in the Constituting Instrument dated the Issue Date constituting the Notes (the “**Constituting Instrument**”) which shall apply to the Notes as so completed, modified and amended. Unless the context otherwise requires, expressions used herein and not otherwise defined in the Constituting Instrument shall have the meanings respectively ascribed to them by the provisions of the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. References in this Terms and Conditions to “paragraphs” and “sub-paragraphs” are to the paragraphs and sub-paragraphs of Terms and Conditions, unless the context requires otherwise.

- |    |        |  |   |
|----|--------|--|---|
| 1. | (i)    | Issuer:                                | Boiro Finance B.V.  |
|    | (ii)   | Dealer:                                | Banco Bilbao Vizcaya Argentaria, S.A.   |
|    | (iii)  | Counterparty:                          | Banco Bilbao Vizcaya Argentaria, S.A.   |
|    | (iv)   | Trustee:                               | Deutsche Trustee Company Limited.   |
|    | (v)    | Issue Agent and Principal Paying Agent | Banco Bilbao Vizcaya Argentaria, S.A.   |
|    | (vi)   | Custodian:                             | Banco Bilbao Vizcaya Argentaria, S.A.   |
|    | (vii)  | Interest Calculation Agent:            | Banco Bilbao Vizcaya Argentaria, S.A.   |
|    | (viii) | Determination Agent:                   | Banco Bilbao Vizcaya Argentaria, S.A.   |
|    | (ix)   | Registrar:                             | Not applicable.   |
|    | (x)    | Realisation Agent:                     | Banco Bilbao Vizcaya Argentaria, S.A.   |
|    | (xi)   | Collateral Agent:                      | Not applicable.   |
|    | (xii)  | Listing Agent                          | Not applicable  |
| 2. | (i)    | Series Number:                         | 812   |
|    | (ii)   | Currency:                              | Euro (“ <b>EUR</b> ”).  |
| 3. |        | Principal Amount:                      | EUR 1,400,000   |
| 4. |        | Status:                                | The Notes are secured and limited recourse obligations of the Issuer ranking pari passu and |



rateably without preference among themselves, recourse in respect of which is limited in the manner described in the Conditions. The Notes are secured in the manner described in Condition 4 and paragraph 11 (Security) below.

- 5. Issue Price: 100 per cent.
- 6. Authorised Denomination: EUR 100,000
- 7. Issue Date: 7 June 2012
- 8. Maturity Date: 7 June 2017 (the “Scheduled Maturity Date”), subject to adjustment in accordance with the Business Day Convention.
- 9. Charged Assets: The Charged Assets are comprised of the Initial Collateral Securities and the Replacement Collateral Securities.

- (i) Collateral Securities:
  - (a) USD 1,820,000 nominal amount of USD 1,000,000,000 Fixed Rate Notes due 2014 issued by BBVA US Senior S.A. ISIN CODE: US055299AJ03 (the “**Initial Collateral Securities**”); and/or
  - (b) any Replacement Collateral Securities (as defined in paragraph (ii) below).

The Initial Collateral Securities (if any) together with any Replacement Collateral Securities (if any) held in the Depositary Account from time to time are together referred as the “**Collateral Securities**”.

Depositary Account: Each account of the Custodian in which the Collateral Securities are held from time to time.

*The Initial Collateral Securities will be delivered on the Issue Date by the Counterparty as provided in the Cross Currency Swap Transaction (see section headed Charged Agreement).*

- (ii) Replacement of Collateral Securities: Condition 4(f)(1) shall apply to the Notes as amended herein.
  - (a) The Counterparty may, from time to time and at its cost, by giving two Business Days prior notice to the date of the relevant Replacement (as defined below) to the Custodian, the Trustee, the Noteholders and the Issuer in, or

substantially, the form scheduled to the Constituting Instrument (a **“Replacement Notice”**) require that any Collateral Securities (the **“Replaced Collateral Securities”**) be replaced (a **“Replacement”**) by any securities with an outstanding principal amount equal to the outstanding principal amount of the Replaced Collateral Securities and fulfilling the Collateral Securities Criteria (the **“Replacement Collateral Securities”**) provided that upon any release of the Replaced Collateral Securities from the security created by or pursuant to the Constituting Instrument, any such Collateral Securities replacing the Replaced Collateral Securities have been delivered, transferred or assigned to the Issuer with full title guarantee and otherwise on the same terms, mutatis mutandis, as the Replaced Collateral Securities and are subject to the charge or other security interest created by or pursuant to the Constituting Instrument and delivery, transfer or assignment thereof to the Custodian on behalf of the Issuer, would not require or cause the Issuer to assume, and would not subject the Issuer to, any obligation or liability (other than immaterial, non-payment obligations).

- (b) If the Collateral Securities (or any part thereof) have been redeemed and the principal amount paid to the Counterparty under the Cross Currency Swap Transaction, the Counterparty may, but shall not be obliged to, from time to time and at its cost, deliver to the Custodian on behalf of the Issuer securities which meet the Collateral Securities Criteria on the same terms, mutatis mutandis, as if these securities were Replacement Collateral Securities. The securities so delivered shall form part of the Collateral Securities and be subject to the charge and any other security interest created by or pursuant to the Constituting Instrument and delivery, transfer or assignment thereof to the Custodian on behalf of the Issuer would not require or cause the Issuer to assume, and would not subject the

Issuer to, any obligation or liability (other than immaterial, non-payment obligations). The Counterparty shall give at least two Business Days prior notice to the date of the relevant delivery of securities to the Custodian, the Trustee, the Noteholders and the Issuer in, or substantially, the form of the Replacement Notice of its intention to deliver the securities.

- (c) Notwithstanding the foregoing, any Replacement shall be subject to compliance with all relevant laws, regulations and directives, the terms of the Replaced Collateral Securities and the Replacement Collateral Securities and to the Counterparty paying any costs and expenses (including, without limitation, any stamp duty or other tax) payable in connection with such Replacement.
- (d) A Replacement Notice, once given by the Counterparty, shall be conclusive and binding on the Issuer, the Trustee, the Calculation Agent, the Custodian, the Noteholders and all other persons.
- (e) The Trustee shall not be liable to the Issuer, the Noteholders or any other person nor shall the Issuer be liable to the Trustee, any Noteholder or any other person for any loss arising from any arrangement referred to in any Replacement Notice or otherwise from the operation of this provision.
- (f) Amendments consequential upon any Replacement may be required to be made to the provisions of the Cross Currency Swap Transaction.
- (g) All rights of Replacement under this provision shall cease forthwith upon the security constituted by the Constituting Instrument becoming enforceable whether in whole or in part.

Where:

**“Collateral Securities Criteria”** means any Bond with the following characteristics at the

time such obligation is initially delivered into the Depository Account:

- (1) issued by Banco Bilbao Vizcaya Argentaria, S.A. or any of its subsidiaries provided that the Bonds are fully guaranteed by Banco Bilbao Vizcaya Argentaria, S.A.;
- (2) senior obligations or covered bond;
- (3) denominated either in EUR or USD;
- (4) an aggregate outstanding principal amount such that the sum of the aggregate outstanding principal amount of the Collateral Securities does not exceed the outstanding principal amount of the Notes, provided that if the relevant securities are denominated in EUR, the amount shall be converted for these purposes by the Counterparty into USD in a commercially reasonable manner;
- (5) a legal maturity date not later than 7 December 2017;
- (6) non asset-backed securities (except if the Bond are covered bonds); and
- (7) non-amortising securities.

**“Bond”** means any obligation for the payment or repayment of borrowed money that is in the form of, or represented by, a bond or a note.

10. Charged Agreement:

The International Swaps and Derivatives Association, Inc. (“ISDA”) 1992 form of Master Agreement and a schedule thereto which the Issuer and the Counterparty have entered into by executing the Constituting Instrument; as supplemented by a confirmation of an Index Option Transaction (the **“Swap Confirmation”**) entered into between the Counterparty and the Issuer, with an effective date of the Issue Date (the **“Swap Agreement”**).

The Calculation Agent under the Charged Agreement shall be the Counterparty (the **“Swap Calculation Agent”**).

*The form of the Swap Confirmation is set out in Annex 1 hereto.*

11. Security: As set out in Condition 4(a), save that there will be no Charged Assets Sale Agreement (and accordingly no security granted thereover).  
For the purposes of Condition 4(d) Counterparty Priority applies.
12. Zero Coupon Note Provisions: Not applicable.
13. Floating Rate Note Provisions: Not applicable.
14. Fixed Rate Note Provisions: Not applicable.
15. Other provisions relating to interest payable: Not applicable. The Notes shall not bear interest.
16. Notes issued in bearer or registered form: Bearer Notes.
17. Whether Notes will be C Notes or D Notes: The Notes shall be D Notes.
18. Provisions for exchange of Temporary Global Note: The Temporary Global Note shall be exchangeable for a Permanent Global Note on or after 40 days from the Issue Date (or such later date as may be determined to be the Exchange Date in accordance with the terms of such Temporary Global Note) upon certification as to non-U.S. beneficial ownership.
19. Provisions for exchange of Permanent Global Note: The Permanent Global Note shall be exchangeable for definitive Bearer Notes only upon the occurrence of an Exchange Event.
20. Details relating to Partly Paid Notes; amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not applicable.
21. Talons to be attached to Notes and, if applicable, the number of Interest Payment Dates between the maturity for each Talon: Not applicable.
22. Listing: Not applicable.
23. Ratings: Not applicable.

24. Business Days: TARGET and London Settlement Days.
25. Call/Put Option: Not applicable.
26. (i) Redemption Amount: The Notes will be redeemed (except on early termination in full pursuant to Condition 7(b), Condition 7(c) or Condition 9) at the Cash Settlement Amount as defined in the Swap Confirmation set out in Annex 1.
- (ii) Business Day Convention: Following Business Day Convention
- (iii) Early Redemption Amount(s) pursuant to Condition 7 (b) or Condition 7 (c) or upon it becoming due and payable as provided in Condition 9 shall be: A pro rata share of the (i) realisation proceeds of the Charged Assets, (ii) plus any swap termination payment (if any) payable by the Counterparty to the Issuer or minus any swap termination payment (if any) payable by the Issuer to the Counterparty under the Swap Transaction (iii) minus any fees, costs and expenses incurred in connection with the Early Redemption of the Notes (all as described in Conditions 4 and 7(e) of the Notes).
- The calculations and determinations of the Determination Agent shall, in absence of manifest error, wilful misconduct or bad faith, be final, conclusive and binding upon all parties. The Determination Agent shall have no responsibility for good faith errors or omissions in any calculation made by it.
27. Settlement Procedures: The Notes have been accepted for settlement in Euroclear and Clearstream, Luxembourg.
28. Common Code: 078742194
29. ISIN: XS0787421949
30. Additional Provisions: For the purposes of Condition 7(g) of the Master Conditions shall be replaced with the following:
- “Purchase
- Unless otherwise provided in the Constituting Instrument, the Issuer may, with the consent of the Counterparty in relation to the Notes, purchase Notes in the open market or otherwise at any price (provided, in the case of definitive Bearer Notes, that all unmatured Receipts and Coupons and unexchanged Talons appertaining thereto are attached or surrendered therewith). Any such purchase shall be subject to receipt by the Issuer of an amount (whether by sale of the Charged Assets (or in the case of a purchase of

some only of the Notes, a proportion of the Charged Assets as selected by the Counterparty in its sole and absolute discretion, equal to the proportion which the aggregate principal amount of the Notes to be purchased bears to the aggregate principal amount of the Notes outstanding immediately prior to such purchase) or otherwise) which, plus or minus any termination payment payable to or by the Issuer from or to the Counterparty on the termination (or as the case may be partial termination) of the Charged Agreement is sufficient to fund the purchase price payable by the Issuer, provided that, on such purchase, the Charged Agreement (or a proportionate part thereof which corresponds to the Notes to be purchased) will terminate. The Calculation Agent shall select the relevant part of the Charged Assets to be sold or delivered at its sole discretion taking into account the denominations of the Charged Assets, provided that if due to a mismatch between the denominations of the Notes and the Charged Assets it is not possible to have the exact proportion of Charged Assets to be sold or delivered, the amount of the Charged Assets should be rounded down to the nearest denomination.

No interest will be payable with respect to a Note to be purchased pursuant to this Condition 7(g) of the Master Conditions in respect of the period from the previous date for the payment of interest on the Note, or, if none, the Issue Date to the date of such purchase.”

For the purposes of Condition 7(b), if the Collateral Securities are redeemed at par prior to their scheduled maturity date in accordance with its terms and conditions in effect as of the date on which such securities first formed part of the Charged Assets, this shall not constitute a mandatory redemption event under Condition 7(b).

- |     |                                       |   |
|-----|---------------------------------------|---|
| 31. | (i) If syndicated, names of Managers: | Not applicable.   |
|     | (ii) Stabilising Manager (if any):    | Not applicable.   |
|     | (iii) Dealer’s Commission:            | Not applicable.   |
| 32. | If non-syndicated, name of Dealer     | Banco Bilbao Vizcaya Argentaria, S.A.   |
| 33. | Agent for service of process:         | For the purposes of Condition 18 (Governing Law and submission to jurisdiction), the Issuer |

has appointed Banco Bilbao Vizcaya Argentaria, S.A. at 108 Cannon Street, London, EC4N 6EU as its agent for service of any proceedings in England in relation to the Notes and the Constituting Instrument.



## **DESCRIPTION AND FORM OF CHARGED AGREEMENT**

The Issuer and the Counterparty have, by executing the Constituting Instrument, entered into, in relation to the Notes, a 1992 ISDA Master Agreement and Schedule thereto in the form of the Master Charged Agreement Terms (March 2012 Edition) (Ref: MCATMarch 2012) which will be supplemented by a confirmation of the transaction evidenced by the Swap Confirmation (the "Transaction") (each as defined in paragraph 10 of the Terms and Conditions above).

Provided that it has not been terminated earlier, the Transaction will terminate on the Maturity Date. Payments of interest and principal to the Noteholders, save as expressly stated herein, are entirely contingent on the full and timely performance of the obligations of the Counterparty under the Charged Agreement.

## Annex 1

### FORM OF CONFIRMATION OF AN INDEX OPTION TRANSACTION (hereinafter "SWAP CONFIRMATION")

Date: 07 June 2012

To: Boiro Finance B.V.  
De Entree 99 -197  
1101 HE Amsterdam Zuidoost  
The Netherlands

From: Banco Bilbao Vizcaya Argentaria, S.A.

**REF: IO/AP/S-812**

The purpose of this letter agreement (this "**Confirmation**") is to confirm the terms and conditions of the transaction entered into between Banco Bilbao Vizcaya Argentaria, S.A. ("**Party A**") and Boiro Finance B.V. ("**Party B**") on the Trade Date specified below (the "**Transaction**"). This Confirmation constitutes a "**Confirmation**" as referred to in the Agreement specified below.

The definitions and provisions contained in the 2006 ISDA Definitions and in the 2002 ISDA Equity Derivatives Definitions (the "Definitions"), in each case as published by the International Swaps and Derivatives Association, Inc., are incorporated into this Confirmation. In the event of any inconsistency between the Definitions and this Confirmation, this Confirmation will govern.

This Confirmation supplements, forms a part of, and is subject to, the ISDA Master Agreement dated as of 7 June 2012 as amended and supplemented from time to time (the "**Agreement**"), entered into by you and us by our execution of the Constituting Instrument dated 7 June 2012 (the "**Constituting Instrument**"), by and among the persons thereto for purposes of constituting Series 812 EUR 1,400,000 Index Linked Secured Limited Recourse Notes due 2017 (the "**Notes**") of the Issuer under its EUR 5,000,000,000 Programme for the issue of Notes and the making of Alternative Investments (the "**Programme**"). All provisions contained in the Agreement govern this Confirmation except as expressly modified below. All terms defined in the Agreement and not otherwise defined herein shall have the meanings assigned in the Agreement. References to "**Notes**", the "**Conditions**" in respect of the Notes and any other capitalized term that is used but not defined herein, the Agreement, the Definitions shall have their respective meanings as defined in the Constituting Instrument and in the event of any inconsistency between words and meaning defined in the Constituting Instrument and words and meaning defined in this Confirmation, this Confirmation will prevail.

The terms of the particular Transaction to which this Confirmation relates are as follows:

#### **General Terms:**

Trade Date: 24 May 2012

Effective Date: 07 June 2012

Termination Date: The Cash Settlement Date on which this Option is settled.

Underlying Reference Index:

<b>Underlying Reference Index:</b>	<b>Exchange:</b>	<b>Related Exchange</b>	<b>Bloomberg Code:</b>
The IBEX-35 Index, an index of the 35 most liquid Spanish Securities listed on the Spanish exchange, which is currently sponsored by the Sociedad de Bolsas S.A. (the "Sponsor"), which term shall include any agents or other persons acting on behalf of such person	Each of the principal exchanges on which the shares that comprise the Index are traded	MEFF	IBEX Index

Notional Amount: EUR 1,400,000

Equity Amount Payer: Party A

Equity Amount Receiver: Party B

Business Day Convention: Following Business Day

Business Days: TARGET and LONDON

**Procedure for Exercise:**

Expiration Time: At the close of trading on the Exchange

Expiration Date: 29 May 2017

Automatic Exercise: Applicable.

**Valuation**

Valuation Time: At the close of trading on the relevant Exchange.

Valuation Date: 29 May 2017

**Settlement Terms:**

Cash Settlement: Applicable.

Settlement Currency: EUR

Cash Settlement Date: 07 June 2017

Cash Settlement Amount: The Cash Settlement Amount shall be determined as follows:

- If on Valuation Date,  $\left(\frac{Index_f}{Index_0}\right) \geq 1$ , the Equity Amount Payer will pay to the Equity Amount Receiver on the Cash Settlement Date a Cash Settlement Amount that shall be equal to the following formula :

$$NotionalAmount * \left[ 1 + 110\% * \frac{Index_f - Index_0}{Index_0} \right]$$

- Otherwise the Cash Settlement Amount shall be equal to the Notional Amount.

Where:

**Index<sub>0</sub>**: means the official closing level of the Index on 24 May 2012.

**Index<sub>f</sub>**: means the official closing level of the Index on Valuation Date.

### **Variable Amounts – Party B:**

Party B will pay to Party A:

(1) each amount of interest payable in respect of the Collateral Securities (as defined in the Terms of the Notes)(if any) from time to time forming part of the Charged Assets on each date falling during the Term of this Transaction on which such amounts of interest are scheduled to be paid (in accordance with the terms and conditions of such Collateral Securities in effect as of the date on which such Collateral Securities first formed part of the Charged Assets);

(2) each amount of principal payable in respect of the Collateral Securities (if any) from time to time forming part of the Charged Assets on each date falling during the Term of this Transaction on which such amounts are payable (in accordance with the terms and conditions of such Collateral Securities in effect as of the date on which such Collateral Securities first formed part of the Charged Assets)

### **Exchange Amounts - Party A:**

Initial Exchange Date: Effective Date.

Initial Exchange Amount: Delivery of the Initial Collateral Securities (as defined in the Terms of the Notes) to the Custodian for the account of Party B.

### **Exchange Amounts - Party B:**

Initial Exchange Date: Effective Date.

Initial Exchange Amount: EUR 1,400,000

Final Exchange Date: The Termination Date.

Final Exchange Amount: Delivery of any Charged Assets for the Account of Party A.

### **Withholding or Deductions in respect of Charged Assets**

For the avoidance of doubt, no Variable Amounts payable by Party B to Party A hereunder shall be reduced on account of any deduction or withholding from any payment in respect of the Charged Assets (if any) on account of any present or future tax, levy, impost, duty, charge, assessment or fee of any nature (including interest, penalties and additions thereto) that is imposed by any government or other taxing authority in respect of any such payment in respect of the Charged Assets, or on account of any right of set-off, or for any other reason whatsoever.

### **Additional Provisions**

Subject to paragraph 9 (ii) "Replacement of Collateral Securities" of the Terms of the Notes, Party A may from time to time (a) direct that any Collateral Securities forming part of the Charged Assets be delivered by the Custodian on behalf of the Issuer to Party A, or as it may direct, free and clear of any interest of the Trustee or any other person and be replaced with Replacement Collateral Securities and (b) if the Collateral Securities have been redeemed and the principal amount paid to Party A under Party B Variable Amount Payments, deliver securities to form part of the Collateral Securities, as if it were Replacement Collateral Securities. Any such Replacement Collateral Securities shall be delivered by Party A to the Custodian to be held on behalf of Party B subject to the security created pursuant to the Constituting Instrument, whereupon such Replacement Collateral Securities shall form part of the Charged Assets. The obligations of Party B under paragraph 1 shall apply only in respect of such Collateral Securities as may from time to time be held by the Custodian for the account of Party B in the circumstances specified above.

### **Mandatory Redemption**

If the Notes become subject to mandatory redemption in full under Condition 7(c) and Condition 9, then for the purposes of Section 6(e) of the Agreement any obligation of Party B to deliver any Charged Assets to Party A at any time shall be deemed to be replaced by an obligation to pay to Party A a sum equal to the nominal principal amount of such Charged Assets (or, if greater, the full scheduled redemption proceeds thereof).

### **Index Cancellation**

Related Exchange Adjustment, unless no option or futures contracts on the index are traded on the Related Exchange when the Index Adjustment Event occurs, in which case Cancellation and Payment (Calculation Agent Determination) applies

### **Index Modification**

Related Exchange Adjustment, unless no option or futures contracts on the index are traded on the Related Exchange when the Index Adjustment Event occurs, in which case Cancellation and Payment (Calculation Agent Determination) applies

### **Related Exchange Adjustment**

The Calculation Agent will make the corresponding adjustment following each adjustment made on any related Exchange

**Index Disruption**

Calculation Agent Adjustment

**Correction of Index Level**

Section 11.4. of the Equity Derivatives Definitions ISDA 2002 is hereby substituted by the following paragraph:

“If, in respect of an Index Transaction, the level of an Index published on a given day and used or to be used by the Calculation Agent to determine the Settlement Price or the Final Price, as the case may be, is subsequently corrected and the correction published by that Index sponsor or a successor sponsor within 2 Business Days of the original publication, either party may notify the other party of (i) that correction and (ii) that amount that is payable as a result of that correction. If not later than 2 Business Days after publication of that correction a party gives notice that an amount is so payable, the party that originally either received or retained such amount shall, not later than three Business Days after the effectiveness of that notice, pay to the other party that amount

**Additional Disruption Event**

Change in Law: Applicable

Section 12.9 (a) (ii) of the Equity Definition is replaced in its entirety by the words:

“Change in Law” means that, on or after the Trade Date of the Transaction (A) due to the adoption of or any change in any applicable law or regulation (including without limitation, any tax law), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority) the Calculation Agent determines in good faith that it has become illegal for a party to that Transaction to hold, acquire or dispose of Hedge Position relating to such Transaction, provided that this Section 12.9(a)(ii) shall not apply if the Calculation Agent determines that such party could have taken reasonable steps to avoid such illegality

Non-Reliance: Applicable

Agreements and Acknowledgments  
Regarding Hedging Activities: Applicable

Additional Acknowledgments: Applicable

**2. Notice and Account Details**

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

To be advised.

BOIRO FINANCE B.V.

To be advised.

### **3. Offices**

The Office of Banco Bilbao Vizcaya Argentaria, S.A. for the Transaction is:

Banco Bilbao Vizcaya Argentaria, S.A.  
José Luis Rodríguez  
Tesorería – Documentación  
Clara del Rey 26 - 2ª Planta. 28002 Madrid (Spain).  
Telephone: +34 91 537 6141/ Fax: +34 91 537 09 55

The Office of the Counterparty for the transaction is:

Boiro Finance B.V.  
De Entree 99 -197  
1101 HE Amsterdam Zuidoost  
The Netherlands  
Attention: Managing Director  
Telephone: + 31 205 554 488; Fax: + 31 205 55 43 08

### **4. Calculation Agent**

Party A acting reasonably and in good faith according to its customary practices and procedures, provided, however, that absent manifest error, the Calculation Agent's computations hereunder shall be binding for all purposes.

### **5. Assignment**

This Transaction may not be assigned by either party without the prior written consent of the other party.

### **6. Representation**

Each party represents that (i) it is entering into the Transaction evidenced hereby as principal (and not as agent or in any other capacity); (ii) the other party is not acting as a fiduciary for it; (iii) it is not relying upon any representations except those expressly set forth in the Agreement or this Confirmation; (iv) it has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary, and it has made its own investment, hedging, trading decisions based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the other party; and (v) it is entering into this Transaction with a full understanding of the terms, conditions and risks thereof and it is capable of and willing to assume those risks.

Please confirm that the foregoing correctly sets forth the terms of our agreement by executing the copy of this confirmation enclosed for that purpose and returning it to us.

Yours Sincerely,

**BANCO BILBAO VIZCAYA ARGENTARIA, S.A.**

p.p.

By:.....

By:.....

Name:

Name:

Title: Authorised Signatory

Title: Authorised Signatory

Confirmed on the date first above written:

**BOIRO FINANCE B.V.**

By:.....



## SUBSCRIPTION AND SALE

Reference should be made to the selling restrictions set out in the section headed “Subscription and Sale” contained in the Programme Memorandum and the following selling restrictions, which will apply to the Notes in the relevant jurisdiction(s) in which such Notes are offered or sold. In the event of any inconsistency between the Programme Memorandum and this Series Memorandum, this Series Memorandum shall prevail.

### General

The Arranger and the Issuer agree that no action has been or will be taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Base Prospectus or any part thereof or the Prospectus, or any other offering or publicity material relating to the Notes, in any country or jurisdiction where action for that purpose is required. The Arranger agrees that it will comply with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells, or delivers Notes or has in its possession or distributes the Base Prospectus or any part thereof or the Prospectus, or any such other material, in all cases at its own expense unless otherwise agreed.

### European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer (or, where there is more than one Dealer, the Arranger and each Dealer) has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Programme Memorandum as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “**Non-exempt Offer**”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;
- (c) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (d) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to

obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

- (e) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.

### **United Kingdom**

The Dealer, has represented and agreed that:

- (A) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (“FSMA”) by the Issuer;
- (B) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (C) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### **Kingdom of Spain**

The Dealer has represented and agreed that the Notes may not and will not be offered or sold in Spain unless the provisions set out in the Spanish Securities Market Law of 28 July 1988 (Ley 24/1988, de 28 de julio, del Mercado de Valores), as amended and restated, and supplemental rules enacted thereunder are complied with.

## United States

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered, sold or otherwise transferred within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except in certain transactions exempt from the registration requirements of the Securities Act. The Issuer has not been and does not intend to be registered as an investment company under the United States Investment Company Act of 1940.

## Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and accordingly, no Notes may be offered, sold or delivered, nor may copies of the Programme Memorandum, any Series Memorandum or any other document relating to the Notes be distributed in the Republic of Italy, except:

- (a) to qualified investors (*investitori qualificati*) (“**Qualified Investors**”), as defined under Article 34-*ter*, paragraph 1, letter b) of Regulation No. 11971 issued by CONSOB (the Italian Securities Exchange Commission) on 14 May 1999, as amended (the “**Regulation 11971/1999**”); or
- (b) in circumstances which are exempted from the rules on offers of securities to be made to the public pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the “**Financial Services Act**”) and Article 34-*ter*, first paragraph, of Regulation 11971/1999.

Any offer, sale or delivery of the Notes or distribution of copies of the Programme Memorandum, any Series Memorandum or any other document relating to the Notes in the Republic of Italy under (a) or (b) above must be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 27 October 2007 and Legislative Decree No. 385 of 1 September 1993, as amended; and
- (ii) in compliance with any other applicable laws and regulations.

*Please note that, in accordance with Article 100-bis of the Financial Services Act, where no exemption under (b) above applies, the subsequent distribution of the Notes or Alternative Investments on the secondary market in Italy must be made in compliance with the rules on offers of securities to be made to the public provided under the Financial Services Act and the Regulation 11971/1999. Failure to comply with such rules may result, inter alia, in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the Notes for any damages suffered by the investors*

**REGISTERED OFFICE OF THE ISSUER**

**Boiro Finance B.V.**  
De Entree 99 -197  
1101 HE Amsterdam Zuidoost  
The Netherlands

**ARRANGER, ISSUE AGENT, PRINCIPAL PAYING  
AGENT AND CUSTODIAN**

**Banco Bilbao Vizcaya Argentaria, S.A.**  
Vía de los Poblados s/n  
28033 Madrid

**TRUSTEE**

**Deutsche Trustee Company Limited**  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB