

**TRUST INSTRUMENT**

**DATED 7 FEBRUARY 2019**

**Between**

**DOURO FINANCE B.V.  
as Issuer**

**DEUTSCHE TRUSTEE COMPANY LIMITED  
as Trustee**

**BANCO BILBAO VIZCAYA ARGENTARIA, S.A.  
as Arranger and Dealer**

**BANCO BILBAO VIZCAYA ARGENTARIA, S.A.  
as Principal Paying Agent, Calculation Agent, Account Bank and Selling Agent**

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

**and**

**DEUTSCHE BANK AG, LONDON BRANCH  
as Authentication Agent and Common Safekeeper**

**relating to**

**DOURO FINANCE B.V.**

**Series 2019-543 EUR 1,600,000 Secured Limited Recourse Equity Linked Securities due 2022  
issued pursuant  
to its EUR 5,000,000,000  
Limited Recourse Secured Debt Issuance Programme**

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**DOURO FINANCE B.V.**

Series 2019-543 EUR 1,600,000 Secured Limited Recourse Equity Linked Securities due 2022 (the “Securities”)

**THIS TRUST INSTRUMENT** is dated 7 February 2019 and made **BETWEEN**:

- (1) **DOURO FINANCE B.V.**, as issuer (the “**Issuer**”);
- (2) **DEUTSCHE TRUSTEE COMPANY LIMITED**, as trustee (the “**Trustee**”);
- (3) **BANCO BILBAO VIZCAYA ARGENTARIA, S.A.**, as arranger, (in such capacity, the “**Arranger**”) and as dealer (in such capacity, the “**Dealer**”);
- (4) **BANCO BILBAO VIZCAYA ARGENTARIA, S.A.**, as principal paying agent (in such capacity, the “**Principal Paying Agent**”), as calculation agent (in such capacity, the “**Calculation Agent**”), as account bank (in such capacity, the “**Account Bank**”) and as selling agent (in such capacity, the “**Selling Agent**”);
- (5) **BANCO BILBAO VIZCAYA ARGENTARIA, S.A.** as swap counterparty (in such capacity, the “**Counterparty**”); and
- (6) **DEUTSCHE BANK AG, LONDON BRANCH**, as authentication agent (in such capacity, the “**Authentication Agent**”) and as common safekeeper (in such capacity, the “**Common Safekeeper**”).

**WHEREAS:**

- (A) This Trust Instrument is entered into for the purposes of (a) constituting and securing the Securities and (b) setting out the terms of the agreements described herein made between the Issuer and each of the other parties hereto (as specified below) in relation to the Securities.
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

**NOW THIS DEED WITNESSES AND IT IS HEREBY AGREED AS FOLLOWS:**

- 1. EFFECT OF THIS TRUST INSTRUMENT AND INCORPORATION BY REFERENCE OF TRUST TERMS MODULE AND OTHER MODULES**
  - 1.1 Each of the parties has executed and delivered this Trust Instrument for the purpose of constituting and securing the Securities and/or entering into an agreement with one or more of the other parties, in each case as specified below.
  - 1.2 The Issuer, the Trustee and the Counterparty have executed this Trust Instrument for the purpose of constituting and securing the Securities on the terms of the following documents, which shall have effect as though they were set out in full herein, in each case modified and/or supplemented to the extent specified in Schedule 1 to this Trust Instrument (but which shall be deemed to have been entered into only by the Issuer, the Trustee and the Counterparty):
    - (a) “Trust Terms Module, July 2018 Edition”;
    - (b) “Bearer Securities Base Conditions Module, July 2018 Edition”; and

(c) "General Definitions Module, July 2018 Edition".

- 1.3 The Issuer, the Principal Paying Agent, the Calculation Agent, the Account Bank, the Selling Agent, the Authentication Agent, the Common Safekeeper and the Trustee have executed this Trust Instrument for the purpose of entering into an Agency Agreement in relation to the Securities on the terms of the following document, which shall have effect as though set out in full herein, (but which shall be deemed to have been entered into only by the Issuer, the Principal Paying Agent, the Calculation Agent, the Account Bank, the Selling Agent, the Authentication Agent, the Common Safekeeper and the Trustee):

"Agency Terms Module, July 2018 Edition".

The Authentication Agent agrees that it will on the request of and on behalf of the Principal Paying Agent authenticate each Global Security and effectuate the same in its capacity as Common Safekeeper.

- 1.4 The Issuer and the Dealer have executed this Trust Instrument for the purpose of entering into a Placing Agreement in relation to the Securities on the terms of the following document, which shall have effect as though set out in full herein (but which shall be deemed to have been entered into only by the Issuer and the Dealer):

"Placing Terms Module, July 2018 Edition".

- 1.5 The Issuer and the Counterparty have executed the Trust Instrument for the purpose of entering into the Swap Agreement in relation to the Securities on the terms of the following documents, which shall have effect as though set out in full herein (but which shall be deemed to have been entered into only by the Issuer and the Counterparty):

"Swap Schedule Terms Module, July 2018 Edition".

The form of the Swap Transaction Confirmation in respect of the Swap Agreement is as set out in Annex 1 to Schedule 1 of this Trust Instrument.

- 1.6 Unless the context otherwise requires or it is otherwise provided therein, terms used in the documents incorporated by reference into this Trust Instrument in accordance with this Clause 1 shall have the meanings given in "General Definitions Module, July 2018 Edition".

## **2. AMENDMENTS**

Except as otherwise provided in this Trust Instrument or in any of the documents incorporated by reference into this Trust Instrument in accordance with Clause 1 above, each of the documents deemed to have been entered into pursuant to Clause 1 above may be modified or amended without the consent or agreement of any party hereto which is not deemed to have entered into such document in accordance with Clause 1 above.

## **3. THIRD PARTY RIGHTS**

A person who is not a party to this Trust Instrument or any agreement entered into on terms set out in and/or incorporated by reference into this Trust Instrument has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Trust Instrument or, as the case may be, any such agreement, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

#### 4. COMMUNICATIONS

Each party designates as its fax number, telephone number and address for the receipt of any communication relating to the Securities or any of the documents incorporated by reference into this Trust Instrument in accordance with Clause 1 above, the respective fax number, telephone number and address set out in Schedule 2 of this Trust Instrument.

#### 5. COUNTERPARTS

This Trust Instrument may be executed in any number of counterparts in which case this Trust Instrument will be as effective as if all the signatures on the counterparts were on a single copy of this Trust Instrument.

#### 6. GOVERNING LAW AND JURISDICTION

- 6.1 This Trust Instrument and any non-contractual obligations arising out of or in connection with this Trust Instrument or any of the documents incorporated by reference into this Trust Instrument in accordance with Clause 1 above shall be governed by and construed in accordance with English law.
- 6.2 Subject to Clause 6.3 below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with this Trust Instrument or any of the documents incorporated by reference into this Trust Instrument in accordance with Clause 1 above and whether arising out of or in connection with contractual or non-contractual obligations ("**Proceedings**") and each party (other than the Trustee) irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to Proceedings in such courts on the grounds of venue or on the grounds that the Proceedings have been brought in an inconvenient forum.
- 6.3 To the extent allowed by law, the Trustee may, in respect of any Proceedings, take (i) Proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

#### 7. AGENT FOR SERVICE OF PROCESS

The name and address of the Issuer's agent for service of process are set out in Schedule 2 of this Trust Instrument.

#### 8. USE OF PROCEEDS

The Issuer and the Swap Counterparty will not directly or indirectly use the proceeds of the offering of the Notes hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity

(i) to fund or facilitate any activities of or business with any individual or entity ("**Person**") that, at the time of such funding or facilitation, is (collectively, a "**Sanction Target**"):

(A) the subject or the target of any sanctions or trade embargos administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**"), the U.S. Department of State, the United Nations Security Council ("**UNSC**") or the European Union ("**EU**"), (collectively, "**Sanctions**"), or

(B) owned 50% or more by or otherwise controlled by, or acting on behalf of one or more Persons referenced in clause (A) above, or

(C) located, organized or resident in a country or territory that is the subject or the target of Sanctions (currently, Iran, North Korea, Sudan and the Crimea region) (each, a “**Sanctioned Country**”),

(ii) to fund or facilitate any activities of or business in any Sanctioned Country, or

(iii) in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as initial purchaser, advisor, investor or otherwise) of Sanctions.”

**9. IDENTITY CLAUSE**

None of the Issuer or any of its subsidiaries, nor, to the best of their knowledge, any director, officer, employee, agent, controlled affiliate or other person acting on behalf, at the direction or in the interest of the Issuer or any of its subsidiaries is a Person that is a Sanction Target.

**IN WITNESS** whereof this Trust Instrument has been executed as a deed by each party to this Trust Instrument in each relevant capacity described above in the manner described therein the day and year first before written.

## SCHEDULE 1

### ISSUE TERMS

Issue Terms dated 7 February 2019

**Douro Finance B.V.**

*(incorporated with limited liability in the Netherlands under registered number 55482643)*

**Series 2019-543 EUR 1,600,000 Secured Limited Recourse Equity Linked Securities due 2022 (the "Securities")**

**under the EUR 5,000,000,000  
Limited Recourse Secured Debt Issuance Programme**

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "**Conditions**") set forth in the Information Memorandum dated 3 July 2018 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) as amended (which includes the amendments made by Directive 2010/73/EU (the "**Prospectus Directive**"). Full information on the Issuer and the offer of the Securities is only available on the basis of the combination of these Issue Terms and the Information Memorandum. The Information Memorandum and these Issue Terms are available for viewing during normal office hours at the office of the Principal Paying Agent in Madrid and copies may be obtained from the principal office of the Issuer.

#### Terms of the Securities

The Securities have the "**Terms**" as set out in these Issue Terms, which will complete and modify (i) the Bearer Securities Base Conditions Module, July 2018 Edition and (ii) the General Definitions Module, July 2018 Edition (the "**General Definitions Module**"), both of which are incorporated by reference into these Issue Terms (together, the "**Conditions**") and are set out in full in the Information Memorandum.

As used herein, the term "**Swap Transaction**" means the swap transaction with an effective date of 7 February 2019 entered into between the Issuer and the Counterparty pursuant to a 2002 ISDA Master Agreement and Schedule thereto (in the form of the Swap Schedule Terms Module, July 2018 Edition) dated as of 24 January 2019 and governed by English law (the "**Master Agreement**") as supplemented by a swap transaction confirmation with an effective date of 7 February 2019, in the form set out in Annex 1 hereto as amended and/or restated from time to time (the "**Swap Transaction Confirmation**").

- |      |                            |                                                                                           |
|------|----------------------------|-------------------------------------------------------------------------------------------|
| 1.   | Issuer:                    | Douro Finance B.V.                                                                        |
| 2.   | Description of Securities: | Series 2019-543 EUR 1,600,000 Secured Limited Recourse Equity Linked Securities due 2022. |
| 3.   | Tranche Number:            | 1.                                                                                        |
| 4.   | Principal Amount:          |                                                                                           |
| (i)  | Series:                    | EUR 1,600,000.                                                                            |
| (ii) | Tranche:                   | EUR 1,600,000.                                                                            |

5. Issue Date: 7 February 2019.
6. Issue Price: 100 per cent of. the Principal Amount.
7. Status of the Securities: The Securities will constitute direct, secured, limited recourse obligations of the Issuer and will rank *pari passu* and without preference among themselves.
8. Date of corporate authorisation for issuance of Securities: 5 February 2019.
9. Type of Securities: The Securities are Equity-Linked Securities.

#### **INTEREST**

10. Floating Rate Security Provisions: Not applicable.
11. Fixed Rate Security Provisions: Not applicable.
12. Other provisions relating to interest payable: Applicable. The Securities are Equity-Linked Securities and the 'Equity-Linked Interest Provisions' set out below shall apply.

Equity-Linked Interest Provisions: In respect of each Security, the amount due and payable (if any) in respect of each Interest Payment Date shall be an amount equal to the Interest Amount determined in respect of such date.

(i) Interest Amounts: In respect of each Interest Payment Date, an amount (if any) in respect of each Security rounded down to the nearest cent of a Euro, equal to such Security's *pro rata* share of the relevant Equity Amount received by the Issuer in its capacity as Party B (each as defined in the Swap Transaction Confirmation) in respect of such date under the Swap Agreement.

(ii) Interest Payment Date: Each Cash Settlement Payment Date, up to and including the Final Cash Settlement Payment Date (each as defined in the Swap Transaction Confirmation).

#### **PROVISIONS RELATING TO REDEMPTION**

13. Maturity Date: The Termination Date (as defined in the Swap Transaction Confirmation).
14. Final Redemption Amount: An amount (if any), in respect of each Security, rounded down to the nearest cent of a Euro, equal to such Security's *pro rata* share



of the Cash Settlement Amount (as defined in the Swap Transaction Confirmation) received by the Issuer in its capacity as Party B (as defined in the Swap Transaction Confirmation) determined pursuant to the Swap Agreement.

## PROVISIONS RELATING TO SECURITY

- |     |                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-----|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 15. | Charged Assets:               | Not applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 16. | Charged Agreement:            |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|     | (a) Counterparty:             | Banco Bilbao Vizcaya Argentaria, S.A Ciudad BBVA c/ Saucedo 28, 28050 Madrid (Spain).                                                                                                                                                                                                                                                                                                                                                              |
|     | (b) Swap Agreement:           | <p>The Master Agreement as supplemented by the Swap Transaction Confirmation (the Swap Transaction Confirmation and the Master Agreement, the “<b>Swap Agreement</b>”).</p> <p>The Calculation Agent under the Swap Agreement shall be the Counterparty (the “<b>Swap Calculation Agent</b>”).</p> <p><i>The form of the Swap Transaction Confirmation is set out in Annex 1 hereto (see Annex 1 - Form of Swap Transaction Confirmation).</i></p> |
| 17. | (a) Security Ranking Basis:   | Counterparty Priority Basis.                                                                                                                                                                                                                                                                                                                                                                                                                       |
|     | (b) Instructing Creditor:     | For the purposes of these Securities only, the Instructing Creditor shall be the Counterparty.                                                                                                                                                                                                                                                                                                                                                     |
| 18. | Counterparty Account details: | Account No: 14923 held with Banco Bilbao Vizcaya Argentaria, S.A.                                                                                                                                                                                                                                                                                                                                                                                  |
| 19. | Additional Charging Document: | Not applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                    |

## GENERAL PROVISIONS APPLICABLE TO THE SECURITIES

- |     |                            |                                                                                                                                                                                                                                                             |
|-----|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 20. | Closing Date and Time:     | Close of business on 7 February 2019.                                                                                                                                                                                                                       |
| 21. | Pre Closing Date and Time: | Not applicable.                                                                                                                                                                                                                                             |
| 22. | Form of Securities:        | <p>Bearer Security.</p> <p>The Securities will be issued in global bearer form, evidenced on issue by a Temporary Bearer Global Security. Beneficial interests in a Temporary Bearer Global Security will be exchangeable for beneficial interests in a</p> |

|     |                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----|--------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|     |                                                                                      | Permanent Bearer Global Security on or after the date which is 40 days after the date on which the Temporary Bearer Global Security is issued and upon certification as to non-U.S. beneficial ownership as required by U.S. Treasury regulations.                                                                                                                                                                                                                                                                                                                                        |
| 23. | Whether TEFRA rules applicable or not applicable:                                    | Applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 24. | Applicable TEFRA rules                                                               | TEFRA D.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 25. | Whether Securities are a Non-U.S. Series or a U.S. Series:                           | Non-U.S. Series.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 26. | Specified Currency:                                                                  | EUR.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 27. | i) Specified Denomination:                                                           | EUR 50,000.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|     | ii) Minimum Tradeable Amount                                                         | EUR 100,000.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 28. | Rating:                                                                              | The Securities will not be rated.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 29. | Listing:                                                                             | Not applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 30. | Common Code and ISIN:                                                                | 194446926 and XS1944469268.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 31. | Applicable United States Selling Restrictions:                                       | Regulation S.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 32. | Governing law:                                                                       | English law.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 33. | New Global Note:                                                                     | Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories (the "ICSDs") as common safekeeper and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank (the "ECB") being satisfied that Eurosystem eligibility criteria have been met. |
| 34. | Securities to be held under New Safekeeping Structure:                               | Not applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 35. | Securities intended to be held in a manner which would allow Eurosystem eligibility: | No. Whilst the designation is specified as "no" at the date of these Issue Terms, should the Eurosystem eligibility criteria be amended in the future such that the Securities are capable                                                                                                                                                                                                                                                                                                                                                                                                |

of meeting them the Securities may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Securities will then be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.

#### **USE OF PROCEEDS AND NET PROCEEDS**

- |     |                                        |                                                      |
|-----|----------------------------------------|------------------------------------------------------|
| 36. | Reasons for the offer:                 | See "Use of Proceeds" in the Information Memorandum. |
| 37. | Dealer fees / commissions / discounts: | Not applicable.                                      |

#### **AGENTS AND OTHER PARTIES**

- |     |                                            |                                                                                                                                                        |
|-----|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| 38. | Party and specified office                 |                                                                                                                                                        |
|     | (a) Trustee:                               | Deutsche Trustee Company Limited of Winchester House, 1 Great Winchester Street, London EC2N 2DB.                                                      |
|     | (b) Principal Paying Agent:                | Banco Bilbao Vizcaya Argentaria, S.A Ciudad BBVA c/ Saucedá 28, 28050 Madrid.                                                                          |
|     | (c) Calculation Agent:                     | Banco Bilbao Vizcaya Argentaria, S.A Ciudad BBVA c/ Saucedá 28, 28050 Madrid.                                                                          |
|     | (d) Account Bank:                          | Banco Bilbao Vizcaya Argentaria, S.A Ciudad BBVA c/ Saucedá 28, 28050 Madrid.                                                                          |
|     | (e) Selling Agent:                         | Banco Bilbao Vizcaya Argentaria, S.A Ciudad BBVA c/ Saucedá 28, 28050 Madrid.                                                                          |
|     | (f) Authentication Agent:                  | Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB.                                                         |
|     | (g) Common Safekeeper:                     | Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB.                                                         |
|     | (h) Issuer's Agent for Service of Process: | Banco Bilbao Vizcaya Argentaria, S.A. at its principal London office, for the time being at One Canada Square, 44 <sup>th</sup> Floor, London E14 5AA. |

Signed on behalf of the Issuer:

By: \_\_\_\_\_

Name:

Title:

## ANNEX 1

### FORM OF SWAP TRANSACTION CONFIRMATION

#### AMENDED AND RESTATED SWAP TRANSACTION CONFIRMATION

Date: 28 January 2019 as amended and restated 7 February 2019

To: Douro Finance B.V.  
Strawinskylaan 31278th Floor  
1077 ZX Amsterdam  
The Netherlands

From: Banco Bilbao Vizcaya Argentaria, S.A.

RE: **Series 2019-543 EUR 1,600,000 Secured Limited Recourse Equity Linked Securities due 2022**

**This Amended and Restated Swap Transaction Confirmation amends and restates the original Swap Transaction Confirmation entered into between the parties hereto in connection with the Series identified above on or prior to the date hereof with effect from the date of the original Swap Transaction Confirmation.**

Ladies and Gentlemen:

The purpose of this letter agreement (this “**Confirmation**”) is to confirm the terms and conditions of the share swap transaction entered into between Banco Bilbao Vizcaya Argentaria, S.A. (“**Party A**”) and Douro 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 “**Equity Definitions**”, together with the 2006 ISDA 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 prevail.

This Confirmation supplements, forms a part of, and is subject to, the ISDA Master Agreement dated as of the Trade Date as amended and supplemented from time to time (the “**Agreement**”), entered into between Party A and Party B by their execution of the Trust Instrument dated 7 February 2019 (the “**Trust Instrument**”), by and among the persons thereto for purposes of constituting **Series 2019-543 EUR 1,600,000 Secured Limited Recourse Equity Linked Securities due 2022** (the “**Securities**”) of the Issuer issued under its EUR 5,000,000,000 Limited Recourse Secured Debt Issuance Programme (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 the “**Conditions**” in respect of the Securities and any other capitalized term that is used but not defined herein, the Agreement or the Definitions shall have their meanings as given to them in the Trust Instrument and in the event of any inconsistency between words and meaning defined in the Trust 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:

### **1. General Terms**

|                          |                                                                                                                                                                                                                                      |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Trade Date:              | 24 January 2019                                                                                                                                                                                                                      |
| Effective Date:          | 7 February 2019                                                                                                                                                                                                                      |
| Termination Date:        | The Final Cash Settlement Payment Date, subject to early redemption on the Cash Settlement Date.                                                                                                                                     |
| Termination Currency:    | The Specified Currency of the Securities                                                                                                                                                                                             |
| Share:                   | The ordinary shares of Banco Bilbao Vizcaya Argentaria, S.A. (Bloomberg Code: BBVA SM) (ISIN: ES0113211835)                                                                                                                          |
| Exchange:                | Mercado Continuo Español                                                                                                                                                                                                             |
| Scheduled Trading Day:   | Means any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions                                                                                    |
| Related Exchange:        | MEFF                                                                                                                                                                                                                                 |
| Notional Amount:         | EUR 1,600,000                                                                                                                                                                                                                        |
| Equity Amount Payer:     | Party A                                                                                                                                                                                                                              |
| Equity Amount Receiver:  | Party B                                                                                                                                                                                                                              |
| Business Day Convention: | Modified Following                                                                                                                                                                                                                   |
| Business Days:           | Target                                                                                                                                                                                                                               |
| Valuation Time:          | At the close of trading on the relevant Exchange                                                                                                                                                                                     |
| Valuation Dates:         | The following Valuation Dates $t$ , from $t=1$ to $t=6$ set out below:<br><br>$t=1$ : 31 July 2019<br>$t=2$ : 31 January 2020<br>$t=3$ : 31 July 2020<br>$t=4$ : 1 February 2021<br>$t=5$ : 2 August 2021<br>$t=6$ : 31 January 2022 |

### **Settlement Terms**

|                      |            |
|----------------------|------------|
| Cash Settlement:     | Applicable |
| Settlement Currency: | EUR        |

Cash Settlement Payment Dates:

In relation to each Valuation Date  $t$ , the following Cash Settlement Payment Dates from  $t=1$  to  $t=6$  set out below:

$t=1$ : 7 August 2019  
 $t=2$ : 7 February 2020  
 $t=3$ : 7 August 2020  
 $t=4$ : 8 February 2021  
 $t=5$ : 9 August 2021  
 $t=6$ : 7 February 2022

Equity Amounts:

The Equity Amount payable (if any) shall be determined as follows:

• If in respect of Valuation Date  $t$  (for  $t=1$  to  $t=6$  inclusive), the following condition is met:  $\left( \frac{Share_t}{Share_0} \right) \geq 70\%$  (the “**Equity Threshold**”), then the Equity Amount Payer will pay to the Equity Amount Receiver on the immediately following Cash Settlement Payment Date  $t$ , an Equity Amount in EUR determined according to the following formula:

**Notional Amount** x  $Coupon_t$

$$Coupon_t = 3.50\% \times t - \sum_{k=1}^{t-1} Coupon_k$$

However, to the extent that the Equity Threshold is not met in respect of such Valuation Date  $t$ , the Equity Amount payable by the Equity Amount Payer on the immediately following Cash Settlement Payment Date  $t$ , will be zero.

Where

“ $Share_0$ ”: means the official closing price of the Share on 24 January 2019.

“ $Share_t$ ”: means the official closing price of the Share on the relevant Valuation Date  $t$

Cash Settlement Amount:

The Cash Settlement Amount shall be determined as follows:

• If on any Valuation Date  $t$ , (from  $t=1$  to  $t=5$  inclusive) the following condition is met (“**Condition 1**”):

$$\left( \frac{Share_t}{Share_0} \right) \geq 100\% , \text{ then the Equity Amount Payer will pay to the}$$

Equity Amount Receiver on the immediately following Cash Settlement Payment Date  $t$ , a Cash Settlement Amount in EUR equal to 100 per cent of the Notional Amount.

- Otherwise, to the extent that no Cash Settlement Amount has been determined to be due and payable in accordance with the foregoing paragraph, on Valuation Date  $t=6$

◊ If  $\left( \frac{Share_6}{Share_0} \right) \geq 70\%$ , then the Equity Amount Payer will

pay to the Equity Amount Receiver on Cash Settlement Payment Date  $t=6$ , a Cash Settlement Amount in EUR equal to 100 per cent of the Notional Amount.

◊ If  $\left( \frac{Share_6}{Share_0} \right) < 70\%$ , then the Equity Amount Payer will

pay to the Equity Amount Receiver on Cash Settlement Payment Date  $t=6$  a Cash Settlement Amount in EUR determined in accordance with the following formula:

$$\text{Notional Amount} \times \left( \frac{Share_6}{Share_0} \right)$$

The Cash Settlement Payment Date on which a Cash Settlement Amount is paid in accordance with these “Cash Settlement Amount” provisions shall be the “**Final Cash Settlement Payment Date**” and for the avoidance of doubt such date shall be the Termination Date of this Transaction.

### **Initial Exchange Amount**

On the Effective Date Party B will pay to Party A an amount equal to and in the same currency as the net subscription proceeds of the Securities received by Party B as Issuer of the Securities.

### **Adjustment and Extraordinary Events**

Method of Adjustment:

Modified Options Exchange Adjustment.

Modified Options Exchange Adjustment means (i) if there are futures or options contracts relating to the Share and have commenced trading at the time of making the relevant determination, Options Exchange Adjustment applies (ii) otherwise, Calculation Agent Adjustment.

Merger Event:

Consequences of Merger Events:

- (a) Share-for Share: Modified Calculation Agent Adjustment
- (b) Share for Other: Modified Calculation Agent Adjustment
- (c) Share for Combined: Modified Calculation Agent Adjustment

Tender Offer:

Applicable



Consequences of a Tender Offer

- (a) Share-for Share: Modified Calculation Agent Adjustment
- (b) Share for Other: Modified Calculation Agent Adjustment
- (c) Share for Combined: Modified Calculation Agent Adjustment

(For the avoidance of any doubt, the parties agree that the Calculation Agent may determine in its sole discretion that no adjustment is necessary after a Tender Offer)

Composition of  
Combined Consideration:

Not Applicable

Nationalization, Insolvency  
or Delisting :

If there are futures or options contracts relating to such Share and have commenced trading at the time of making the relevant determination Options Exchange Adjustment applies as if the Nationalization, Insolvency or Delisting were a Merger Event; and in all other situations, Cancellation and Payment (Calculation Agent Determination) applies.

Market Disruption Event:

Section 6.6 (a) of the Equity Definitions is replaced in its entirety by the words:

If any Valuation Date is a Disrupted Day, in the case of a Share Transaction, the Valuation Date for the Share shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day; unless each of the five Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (i) the fifth Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine its good faith estimate of the value for the Share as of the Valuation Time on that fifth Scheduled Trading Day.

Additional Disruption  
Event:

Change in Law: Applicable, provided that Section 12.9(a)(ii) of the Equity Definitions is replaced in its entirety by the words:

**“Change in Law”** means that, on or after the Trade Date of any 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 this Transaction to hold, acquire or dispose of Hedge Positions 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.

Determining Party:

Calculation Agent

### **Miscellaneous**

Non-Reliance: Applicable

Agreements and Acknowledgments  
Regarding Hedging Activities: Applicable

Additional Acknowledgments: Applicable

### **2. Notice and Account Details**

Party A: To be advised.

Party B: To be advised.

### **3. Offices**

The Office of Party A for the Transaction is:

Banco Bilbao Vizcaya Argentaria, S.A.  
Tesorería – Documentación  
Ciudad BBVA c/ Saucedo, 28, Edificio Oceanía, 1ª Planta.  
28050 Madrid  
Spain  
Telephone: +34 91 537 84 65 / Fax: +34 91 537 09 55

The Office of Party B for the Transaction is:

Douro Finance B.V.  
Strawinskylaan 3127, 8th Floor  
1077 ZX Amsterdam  
The Netherlands  
Attention: Managing Director  
Telephone: +31 88 5609950; Fax: +31 88 5609960

### **4. Calculation Agent**

Party A is the Calculation Agent and will be 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.

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

**DOURO FINANCE B.V.**

By:.....

## **SCHEDULE 2**

### **NOTICE DETAILS**

#### **The Issuer**

Address: **Douro Finance B.V.**  
Strawinskylaan 3127, 8<sup>th</sup> Floor  
1077 ZX Amsterdam  
The Netherlands

Telephone no.: +31 885609950  
Fax no.: +31 885609960

#### **Agent for service of process**

Address: **Banco Bilbao Vizcaya Argentaria, S.A., (London Branch)** at its principal London office, for the time being at One Canada Square, 44<sup>th</sup> Floor, London E14 5AA, United Kingdom

#### **The Trustee**

Address: **Deutsche Trustee Company Limited**  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

Telephone no.: +44 (0) 20 754 58000  
Fax no.: +44 (0) 20 754 70916  
Attention: TSS Repack

#### **The Arranger and Dealer**

Address: **Banco Bilbao Vizcaya Argentaria, S.A.**  
Ciudad BBVA c/ Saucedo 28, 28050 Madrid  
Spain

Telephone no.: +34 91 537 8660  
Fax no.: +34 91 374 5426  
Attention: Hub Integración – Corporate Clients

**The Principal Paying Agent, Calculation Agent, Account Bank and Selling Agent**

Address: **Banco Bilbao Vizcaya Argentaria, S.A.**  
Ciudad BBVA c/ Saucedo 28, 28050 Madrid  
Spain

Telephone no.: +34 91 537 8660  
Fax no.: +34 91 374 5426  
Attention: Hub Integración – Corporate Clients

**The Counterparty**

Address: **Banco Bilbao Vizcaya Argentaria, S.A.**  
Ciudad BBVA c/ Saucedo 28, 28050 Madrid  
Spain

Telephone: +34 91 537 84 65  
Fax no: +34 91 537 09 55  
Attention: Tesorería – Documentación

**The Authentication Agent and Common Safekeeper**

Address: **Deutsche Bank AG, London Branch**  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

Telephone: + 44 207 545 8000  
Fax no: +44 207 547 0916

Attention: Trust & Securities Services

## SIGNATORIES

### EXECUTION OF TRUST INSTRUMENT DOURO FINANCE B.V.

#### The Issuer

SIGNED AND DELIVERED AS A DEED by )

the duly authorised attorney of )  
DOURO FINANCE B.V. )

in the presence of )  
Signature of witness )



Name of witness

D.C. Möhlmann

Address of witness

#### The Trustee

EXECUTED as a DEED

THE COMMON SEAL OF )  
DEUTSCHE TRUSTEE COMPANY LIMITED )  
was hereto affixed in the presence of: )

Associate Director

Associate Director

#### The Arranger and Dealer

EXECUTED as a DEED by )  
BANCO BILBAO VIZCAYA ARGENTARIA, S.A. )  
acting by )  
duly authorised )



Vicente García  
Authorized Signature



Miguel Ángel Alonso Simón  
Authorized Signature

acting by )  
duly authorised )

#### The Principal Paying Agent, Calculation Agent, Account Bank and Selling Agent

EXECUTED as a DEED by )  
BANCO BILBAO VIZCAYA ARGENTARIA, S.A. )  
acting by )  
duly authorised )



Vicente García  
Authorized Signature



Miguel Ángel Alonso Simón  
Authorized Signature

## SIGNATORIES

### EXECUTION OF TRUST INSTRUMENT DOURO FINANCE B.V.

#### The Issuer

SIGNED AND DELIVERED AS A DEED by )

the duly authorised attorney of )  
DOURO FINANCE B.V. )

in the presence of )  
Signature of witness )

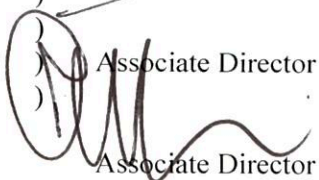
Name of witness

Address of witness

#### The Trustee

EXECUTED as a DEED

THE COMMON SEAL OF  
DEUTSCHE TRUSTEE COMPANY LIMITED  
was hereto affixed in the presence of:

  
) Associate Director  
  
) Associate Director  
) 

#### The Arranger and Dealer

EXECUTED as a DEED by )  
BANCO BILBAO VIZCAYA ARGENTARIA, S.A. )

acting by ) Authorised Signatory  
duly authorised )

acting by ) Authorised Signatory  
duly authorised )

#### The Principal Paying Agent, Calculation Agent, Account Bank and Selling Agent

EXECUTED as a DEED by )  
BANCO BILBAO VIZCAYA ARGENTARIA, S.A. )

acting by ) Authorised Signatory  
duly authorised )

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Vicente García  
Authorized Signature

Miguel Ángel Alonso Simón  
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Miguel Ángel Alonso Simón  
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