

DATED: 25 October 2011

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 731 EUR 1,950,000 Equity Linked Secured Limited Recourse
Notes due 2014**

***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.

This Series Memorandum incorporates by reference the contents of the programme memorandum (the “**Programme Memorandum**”) dated 30 December 2010 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 representations other than those 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 organised 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.

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.

Independent Review and Advice

Each prospective purchaser of Notes is responsible for its own independent appraisal of and investigation into the business, financial condition, prospects, creditworthiness, status and affairs of any obligor under the Charged Assets, as well as the risks in respect of the Notes and their terms, including, without limitation, any tax, accounting, credit, legal and regulatory risks.

Business Relationships

The Issuer, any of the Programme Parties and any of their respective affiliates may be affiliated to each other (other than the Issuer) or have existing or future business relationships with each other or with any issuer or obligor of a Charged Asset (including, but not limited to, lending, depository, risk management, advisory and banking relationships), and will pursue actions and take steps that they deem or it deems necessary or appropriate to protect their or its interests arising therefrom without regard to the consequences for a Noteholder.

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.

The Notes are not capital protected

Prospective investors should be aware that the Notes are not capital protected. If the Notes are not redeemed early then in certain circumstances the Redemption Amount may be less than the outstanding principal amount of the Notes.

Investments in Equity Linked Notes

Equity Linked Notes are debt securities which do not provide for predetermined redemption amounts but amounts due in respect of principal will be dependent upon the performance of the Shares forming part of the Basket. In addition, interest amounts will also be dependent upon the performance of the Shares.

An investment in Equity 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 Shares in the Basket may be subject to significant fluctuations in their value;
- the holder of an Equity Linked Note could lose a portion of the principal of such Note (whether payable at maturity or upon redemption or repayment).

Exposure to the Swap

The investor will be exposed to the risk of the swap counterparty and to the market exposure of the interest rate 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 731 EUR 1,950,000 Equity Linked Secured Limited Recourse Notes due 2014
(the “**Notes**”)

The following shall complete, modify and amend the Master Conditions (December 2010 Edition)(Ref: MCDecember2010) in the form signed for the purposes of identification by Banco Bilbao Vizcaya Argentaria, S.A. on 30 December 2010 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:	731
	(ii)	Currency:	Euro (“ EUR ”).
3.		Principal Amount:	EUR 1,950,000
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 50,000
7.	Issue Date:	25 October 2011
8.	Maturity Date:	24 October 2014.
9.	Charged Assets:	EUR 1,950,000 nominal amount of EUR 1,130,000,000 Fixed Rate Notes due 2014 issued by BBVA (ISIN CODE: XS0408528833) <i>The Charged Assets will be delivered on the Issue Date by the Counterparty as provided in the Swap Transaction (see Annex 1).</i>
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 a Share Basket Option Transaction (the " Swap Confirmation ") entered into between the Counterparty and the Issuer, with an effective date of the Issue Date (the " Swap Agreement "). <i>The form of the Swap Confirmation is set out in Annex 1 hereto</i>
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:	Applicable (i) Interest Amounts: An amount rounded down to the nearest cent of a Euro equal to its pro rata share of the relevant Equity Amount (as defined in the Swap

		Confirmation).
	(ii) Interest Payment Dates:	Each Equity Amount Payment Date (as defined in the Swap Confirmation).
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 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.	Talons to be attached to Notes and, if applicable, the number of Interest Payment Dates between the maturity for each Talon:	Not applicable.
21.	Listing:	Not applicable.
22.	Ratings:	Not applicable.
23.	Business Days:	TARGET and London Business Days.
24.	Call/Put Option:	Not applicable.
25.	(i) Redemption Amount:	The Redemption Amount of each Note (except on early termination in full pursuant to Condition 7(b), Condition 7(c) or Condition 9) shall be its outstanding principal amount.
	(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.

26.	Settlement Procedures:	The Notes have been accepted for settlement in Euroclear and Clearstream, Luxembourg.
27.	Common Code:	069513069
28.	ISIN:	XS0695130699
29.	Additional Provisions:	For the purposes of Condition 7(b)(4) of the Master Conditions, there shall be no "Additional Mandatory Redemption Event" in respect of the Notes.
30.	(i) If syndicated, names of Managers:	Not applicable.
	(ii) Stabilising Manager (if any):	Not applicable.
	(iii) Dealer's Commission:	Not applicable.
31.	If non-syndicated, name of Dealer	Banco Bilbao Vizcaya Argentaria, S.A.
32.	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 (December 2010 Edition) (Ref: MCATDecember 2010) which will be supplemented by a confirmation of 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
SHARE BASKET OPTION TRANSACTION (hereinafter "SWAP CONFIRMATION")**

Date: 25 October 2011

To: Boiro Finance B.V.
Herengracht 450
1017 CA Amsterdam
The Netherlands

From: Banco Bilbao Vizcaya Argentaria, S.A.

REF: SBO/AP/S-731

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 25 October 2011 as amended and supplemented from time to time (the "Agreement"), entered into by you and us by our execution of the Constituting Instrument dated 25 October 2011 (the "Constituting Instrument"), by and among the persons thereto for purposes of constituting Series 731 EUR 1,950,000 Equity Linked Secured Limited Recourse Notes due 2014 (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.

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

General Terms:

Trade Date: 11 October 2011

Effective Date: 25 October 2011

Termination Date: 24 October 2014, subject to adjustment in accordance with the Business Day Convention.

Underlying Reference Shares: The following ordinary shares:

	Issuer Name	Bloomberg Code
i=1	Telefonica S.A	TEF SM
i=2	Banco Santander S.A	SAN SM

Exchange: Continuous Market or the principal exchange on which the relevant Underlying Reference Share is traded.

Exchange Business Day: means any day that is (or, but for the occurrence of a Market Disruption Event, would have been) a trading day on each and every Exchange and on each and every Related Exchange other than a day on which trading on any such Exchange or Related Exchange is scheduled to close prior to each regular weekday closing time.

Related Exchange: All Exchanges

Notional Amount: EUR 1,950,000

Equity Amount Receiver: Party B

Equity Amount Payer: Party A

Business Day Convention: Following Business Day

Business Days: TARGET 2 and London

Procedure for Exercise:

Expiration Time: At the close of trading on the Exchange

Expiration Date: 17 October 2014

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

Valuation Date: Valuation Date t=2: 17 October 2013
Valuation Date t=3: 17 October 2014

Automatic Exercise: Applicable.

Settlement Terms:

Settlement Currency: EUR

Equity Amount Payment Date (s):

Equity Amount Payment Date t=1: 25 October 2012
 Equity Amount Payment Date t=2: 25 October 2013
 Equity Amount Payment Date t=3: 24 October 2014

Equity Amounts:

The Equity Amount shall be determined as follows:

- On the Equity Amount Payment Date 1, the Equity Amount Payer will pay to the Equity Amount Receiver an amount that shall be 4.60% *Notional Amount
- If on Valuation Date t=2, $\min_{i>1} \left(\frac{Share_{i,2}}{Share_{i,0}} \right) \geq 1.00$ the Equity Amount Payer will pay to the Equity Amount Receiver on the relevant Equity Amount Payment Date an amount that shall be 6.25% *Notional Amount
- If on Valuation Date t=3, $\min_{i>1} \left(\frac{Share_{i,3}}{Share_{i,0}} \right) \geq 1.00$ the Equity Amount Payer will pay to the Equity Amount Receiver on the relevant Equity Amount Payment Date an amount that shall be 6.25% *Notional Amount

Share_{i,0}: means official closing price of the relevant Share i on 11 October 2011

Share_{i,t}: means official closing price of the relevant Share i on each Valuation Date t.

Variable Amount Payments:

Party B will pay to Party A amounts equal to each amount of interest and principal payable in respect of the Charged Assets on each date falling during the Term of this Transaction on which such amounts of interest and principal are payable (in accordance with the terms and conditions of such Charged Assets in effect as of the Effective Date)

Initial Exchange – Party A:

Initial Payment Date:	The Effective Date
Initial Payment Amount:	Delivery of the Charged Assets to the Custodian for the account of Party B.
Final Exchange Date:	Termination Date.
Final Exchange Amount:	EUR 1,950,000

Initial Exchange – Party B:

Initial Payment Date:	The Effective Date
Initial Payment Amount:	EUR 1,950,000

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.

Adjustment and Extraordinary Events

Method of Adjustment

Modified Option Exchange Adjustment: means (i) 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 (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 that no adjustment is necessary after a Tender Offer)

Market Disruption Event

Section 6.6(c) of the Equity Definition ISDA 2002 is replaced in its entirety by the words:

If any Valuation Date is a Disrupted Day, in the case of a Share Basket Option Transaction, the Valuation Date for all the Shares shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to any Share; unless each of the five Scheduled Trading Days immediately following the Scheduled Valuation Date is a Disrupted Day relating to any Share. In that case, (i) that fifth Scheduled Trading Date shall be deemed to be the Valuation Date for all Shares,

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 affected Share as of the Valuation Time on that fifth Scheduled Trading Day.

Additional Disruption Event

Change in Law: Applicable

Section 12.9 (a) (ii) of the Equity Definition ISDA 2002 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”

Additional Extraordinary Events

Mean each event that may cause and increase or reduction in the number of Shares comprised in the Basket.

All references in these “Extraordinary Events” provisions to “Strike Price” shall be deemed to include not only Strike Price, but Initial Price and any other price of a Share that has been determined and used to calculate any cash amount or to settle the Transaction by means of delivery of Shares, as the case may be, according to this Confirmation.

All references in these “Extraordinary Events” provisions to “Relevant Price” shall be deemed to include not only Relevant Price, but Final Price, and any other price of a Share that has not been determined yet and that will be used to calculate any cash amount or to settle the Transaction by means of physical delivery of Shares, as the case may be, according to this Confirmation.

A) Merger Event between Issuers of Shares comprised in the Basket (the “Affected Shares”):

- (i) The resulting Share from the merger will continue forming part of the Basket (the “Successor Share”) and the Calculation Agent may make the required adjustment, if any, according to the Consequences of Merger Event provisions.
- (ii) Additionally, in order to maintain the same number of Basket components and according to the Substitution Method provision, New Share/s will be added to the Basket, and the Strike Price will be adjusted according to the Adjustment in the New Share provision.

B) Tender Offer between Issuers of Shares comprised in the Basket (the “Affected Shares”):

- (i) The Share of the Issuer that has obtained the voting rights of the Issuer of another Share will continue forming part of the Basket (the “Successor Share”) and the Calculation Agent may make the required adjustment, if any, according to the Consequences of Tender Offers provisions.
- (ii) Additionally, in order to maintain the same number of Basket components and according to Substitution Method provision, New Share/s will be added to the Basket, and the Strike Price will be adjusted according to the Adjustment of the New Share provision.

C) Nationalization, Insolvency or Delisting. In these cases, the Calculation Agent will add New Share/s to the Basket to substitute the Share/s affected by Nationalization, Insolvency or Delisting (the “Affected Share/s”), according to the Substitution Method, in order to maintain the same number of Basket components. Additionally, the Calculation Agent will determine the Strike Price/s of the New Share/s according to the Adjustment of the New Share provision.

D) Spin off or De-merger of an Issuer of a Share:

If an Issuer of a Share comprised in the Basket (the “Affected Share”) de-merges or “spins-off” other entity/entities from it, the Affected Share will be substituted by a Basket component according to the following procedures:

- a.) In the event of assignment of a relevant part of the assets of the Affected Share’s Issuer to an entity/entities resulting from the de-merger or spin-off (Spun-off Share/s) of the Affected Share’s Issuer without going into winding up or liquidation, the Relevant Price for this Basket component shall be determined by the sum of the relevant price of the Affected Share plus the result of the product of the Consideration Factor (as defined below) and the relevant price of the Spun-off Share/s.
- b.) In the event of a De-merger or Spin off of the Affected Share’s Issuer that results (i) the Affected Share ceased to exist (ii) the incorporation of two or more Issuers of shares (Spun-off Shares), the Relevant Price for this Basket component shall be determined by the addition of the resulting product of the Consideration Factor (as defined below) and the relevant price of each Spun-off Share.

Consideration Factor means the proportion (expressed as a decimal) of a Spun-off Share that is obtained for each Affected Share according to the following formula:

Consideration Factor = Total number of Spun-off Shares/ total number of Affected Shares before the Spin off.

Substitution Method

The Calculation Agent, in order to maintain the same number of Shares in the Basket, as soon as reasonably practicable, after been aware of any event in paragraph A), B) or C) above, will communicate to the parties the new share/s (the “New Share/s”) that will be included in the Basket in substitution of the Affected Share/s. The communication will also include the effective date of this Extraordinary Event (the “Effective Date”).

If possible, each New Share will belong to the same economic sector and geographical area as that of the Affected Share, and will be selected taking into account the variables that affect the quotation of the shares and the derivative instruments which such share is underlying.

Both parties hereby agree and undertake that the New Shares shall be considered acceptable if there is no challenge by any of the parties within two Business Days after the communication.

Both parties also agree that any challenge to the communication must be made by written notice duly signed by a representative with sufficient capacity and delivered to the Calculation Agent to the correct address.

If either party challenges the determination according to the procedure above, the parties agree to appoint a mutually acceptable independent third party (the “Substitute Calculation Agent”) that will be appointed within one Business Day following the notice of the challenge. If either party

determines that the parties cannot agree on an independent third party, then each party shall select an Independent Leading Dealer (as defined below) in the relevant market. Those elected Independent Leading Dealers shall agree between them a third Independent Leading Dealer, who will perform the determination of the New Shares/s.

'Independent Leading Dealer' means an entity that is a leading dealer in the market for derivative products and is not controlled directly or indirectly by either of the parties. For this purpose 'Controlled' means ownership of a majority of the voting rights of the entity.

The costs, fees and expenses (if any) of any independent third party called upon to make any calculation or determination shall be borne equally by both parties.

Adjustment of the New Share/s

The Strike Price of the New Share on the Effective Date (SPNS) will be determined taking into account the proportional increase or decrease in the Affected Share/s price in the period between the moment on which the Strike Price was determined and the Exchange Business Day immediately prior to the Effective Date. Therefore, the Calculation Agent will make the adjustment according to the following formula:

$$SPNS = CPNS^* SPAS / CPAS$$

SPNS: Strike Price of the New Share

CPNS: Closing Price of the New Share on the Exchange Business Day immediately prior to the Effective Date.

SPAS: Strike Price of the Affected Shares according to the Confirmation

CPAS: Closing Price of the Affected Share on the Exchange Business Day immediately prior to the Effective Date.

Failure to Deliver: Not applicable

Determining Party: The Calculation Agent

Non-Reliance: Applicable

Agreements and Acknowledgments

Regarding Hedging Activities: Applicable

Additional Acknowledgments: Applicable

Mandatory Redemption

If the Notes become subject to mandatory redemption in full under Condition 7 (b), 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).

Calculation Agent

Banco Bilbao Vizcaya Argentaria S.A.

2) 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.

Alicia García/Adrián Page

Tesorería – Documentación

C/ Cara del rey 26 - 2^a Planta.28033 Madrid (Spain).

Telephone: +34 91 374 8373/ Fax: +34 91 537 09 55

The Office of the Counterparty for the transaction is:

Boiro Finance B.V.

Herengracht 450

1017 CA Amsterdam

The Netherlands

Attention: Managing Director

Telephone: + 31 205 554 488; Fax: + 31 205 55 43 08

4) Assignment

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

5) 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 your agreement to be bound by the terms of the foregoing by executing the copy of this Confirmation enclosed for that purpose and returning it to us.

Very truly yours.

BANCO BILBAO VIZCAYA ARGENTARIA, S.A.

P.P.

By:
Name:
Title: Authorized Signatory

By:
Name:
Title: Authorized Signatory

Confirmed as of the date first above written:

BOIRO FINANCE B.V.

By:
Name:
Title:

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.

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 this Programme Memorandum as completed by the Series Memorandum 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 Series Memorandum 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 Series Memorandum 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 is a qualified investor as defined in the Prospectus Directive;
- (c) 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
- (d) 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.

The Netherlands/General

Act on Financial Supervision

Notes (including rights representing an interest in any Global Note) having a denomination of less than EUR 50,000 (or the equivalent in any other currency) - *it should be noted that this threshold will be raised to EUR 100,000 in 2011* -, and which can be acquired or transferred in lots with an aggregate denomination of less than EUR 50,000 (or the equivalent in any other currency) - *it should be noted that this threshold will be raised to EUR 100,000 in 2011* -, may not, directly or indirectly, be, or announced to be, offered, sold, resold, delivered or transferred as part of their initial distribution of at any time thereafter to or to the order of or for the account of any person anywhere in the world other than professional market parties (*professionele marktpartijen*) within the meaning of article 1:1 of the Act on Financial Supervision (*Wet op het financieel toezicht*) and the Definitions Decree (*Besluit definitiebepalingen Wft*) promulgated pursuant thereto as amended from time to time ("**Professional Market Parties**"), being:

- (A) Legal entities licensed or otherwise authorised or regulated to operate in the financial markets;
- (B) Legal entities without a licence and not so authorised or regulated to operate in the financial markets with the sole corporate purpose to invest in securities;
- (C) National or regional governments, central banks, international and supranational institutions and similar international institutions;
- (D) Legal entities with their seat in the Netherlands which:
 - (1) Meet at least two of the following three criteria:
 - (a) an average number of employees over the financial year of less than 250;
 - (b) a balance sheet total not exceeding EUR 43,000,000; and
 - (c) an annual net turnover not exceeding EUR 50,000,000; and
 - (2) Have, at their own request, been registered as qualified investors by the AFM.
- (E) Legal entities which according to their most recent (consolidated) annual accounts meet at least two of the following three criteria:
 - (a) an average number of employees over the financial year of at least 250;
 - (b) a balance sheet total in excess of EUR 43,000,000; and
 - (c) an annual net turnover in excess of EUR 50,000,000;
- (F) Individuals domiciled in the Netherlands who have been registered as qualified investors by the AFM and who meet at least two of the following three criteria:
 - (1) the investor has carried out transactions of a significant size on securities markets at an average frequency of, at least, ten (10) per quarter over the previous four quarters;

- (2) the size of the person's securities portfolio exceeds EUR 500,000; and
- (3) the person works or has worked for at least one year in the financial sector in a professional position which requires knowledge of securities investment;
- (G) Individuals or enterprises considered as qualified investors in another Member State pursuant to article 2, first paragraph, part (e) under (iv) alternatively (v), of the Prospectus Directive (the parties under (A) up to and including (G) being qualified investors ("**Qualified Investors**");
- (H) Subsidiaries of Qualified Investors provided such subsidiaries are subject to supervision on a consolidated basis;
- (I) Legal entities with a balance sheet total of at least EUR 500,000,000 as per the balance sheet as of the year end preceding the date they purchase or acquire the Notes;
- (J) Legal entities or individuals with net equity of at least EUR 10,000,000 as per the balance sheet as of the financial year end preceding the date they purchase or acquire the Notes and who or which have been active in the financial markets on average twice a month over a period of at least two consecutive years preceding such date;
- (K) Legal entities which have a rating of a rating agency that is recognised by the Dutch Central Bank (*De Nederlandsche Bank N.V.*) or which issue securities that have a rating from such rating agency;
- (L) Legal entities established for the sole purpose of:
 - (1) transactions for the acquisition of receivables that serve as security for securities (to be) offered;
 - (2) transactions for the investment in sub-participations or derivatives as to the transfer of credit risk that may be settled by transfer of receivables to such legal persons or companies, while the rights pursuant to the sub-participations or derivatives, will be used as security for the securities (to be) offered; or
 - (3) providing credit for the benefit of Qualified Investors and their subsidiaries as referred to under (H) above.

United Kingdom

Unless otherwise provided in the relevant Placing Agreement, each Dealer (or, where there is more than one Dealer, the Arranger and each Dealer) will in each Placing Agreement to which they are party represent, warrant and agree in relation to the Notes or Alternative Investments to be purchased thereunder 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 ("**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 (or, where there is more than one Dealer, the Arranger and each 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.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

The Arranger has represented and agreed that it will not offer, sell or deliver Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution, as determined and certified by the Arranger or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. The Arranger has further agreed that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Each issuance of Index Linked Notes or Dual Currency Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the Arranger may agree as a term of the issuance and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Series Memorandum, as the case may be.

Italy

The offering of the Notes or Alternative Investments has not been registered pursuant to Italian securities legislation and accordingly, no Notes or Alternative Investments may be offered, sold or delivered, nor may copies of the Programme Memorandum, any Series Memorandum or any other document relating to the Notes or Alternative Investments 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 Alternative Investments or distribution of copies of the Programme Memorandum, any Series Memorandum or any other document relating to the Notes or Alternative Investments 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 or Alternative Investments being declared null and void and in the liability of the intermediary transferring the Notes or Alternative Investments for any damages suffered by the investors

General

Selling restrictions in respect of each Series may be modified by the agreement of the Issuer and the Arranger following a change in a relevant law, regulation or directive. Any such modification and any other or additional restrictions which may be agreed between the Issuer and the Arranger in respect of a Series will be set out in the Constituting Instrument and/or the Series Memorandum or Alternative Memorandum in respect of that Series.

No action has been or will be taken in any jurisdiction that would permit a public offering of any of the Notes or Alternative Investments, or possessions or distribution of the Programme Memorandum or any part thereof or any other offering material or any Supplemental Programme Memorandum, in any country or jurisdiction where action for that purpose is required

REGISTERED OFFICE OF THE ISSUER

Boiro Finance B.V.
Herengracht 450
1017 CA Amsterdam
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

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