

PROPOSALS FOR RESOLUTIONS THAT THE BOARD OF DIRECTORS IS SUBMITTING FOR THE APPROVAL OF THE EXTRAORDINARY GENERAL MEETING OF THE BANCO DE SABADELL, S.A. DATED 5TH OCTOBER 2006

ONE.- To approve the Merger Plan approved by the Board of Directors of BANCO DE SABADELL S.A. and BANCO URQUIJO, S.A on 20 July 2006, and consequently of the merger by absorption of BANCO URQUIJO S.A. by BANCO SABADELL S.A., also approving the Balance Sheet of the former closed on 30 June 2006 and its resulting agreements as the merger balance sheet.

To approve the Merger Plan approved by the Board of Directors of BANCO DE SABADELL S.A. (hereafter, "**BANCO SABADELL**") and BANCO URQUIJO, S.A. (hereafter, "**BANCO URQUIJO**") on 20 July 2006, deposited at the Mercantile Registers of Barcelona and Madrid competent for the registered offices of the companies involved in the Merger on 25th and 28th July 2006, respectively, and on which the company HORWATH PLM AUDITORES, S.L., as independent expert designated by Barcelona Mercantile Register, issued on 22nd August 2006 the relevant report on the Merger Plan which is being approved by this resolution. The text of the Merger Plan being approved by this agreement is incorporated as Appendix 1 to the Minutes of the Meeting.

To approve the merger by absorption of BANCO URQUIJO by BANCO SABADELL, with dissolution but without liquidation of the former and transfer en masse to the latter of its respective company assets through universal succession, the absorbing company being subrogated in all the rights and obligations of the company absorbed in a general sense and without any reservations nor limitations whatsoever, all in accordance with the aforementioned Merger Project.

Furthermore, in compliance with what is laid down in article 228 of the Mercantile Register Regulations, and as a full part of this merger agreement, the following circumstances are stated:

- a. *Denomination and address of the companies participating in the merger and identifying details of their entry in the Mercantile Register*
 - a.1. *Absorbing company*

BANCO DE SABADELL was constituted indefinitely by public deed granted before the notary of Sabadell, Antonio Capdevila Gomà, on 31

December 1881 at number 620 of his protocol, having adapted its Articles of Association to the Companies Act in force (hereafter the “**LSA**”) in a deed authorised by the notary of Sabadell Mximo Cataln Pardo, on 26 April 1990, at number 903 of his protocol.

It is recorded in the Barcelona Mercantile Registry, Volume 20,092, Book 1, Section 2, Page B-1561.

According to its Articles of Association, its current registered office is located at Plaça Catalunya 1, Sabadell (Barcelona).

Its Tax Identification Number is A-08000143.

a.2. Absorbed company

BANCO URQUIJO, S.A. was constituted indefinitely in 1870, having adapted its Articles of Association to the LSA in a deed authorised by notary of Madrid Rafael Ruiz Gallardn, on 24 July 1990, at number 2,416 of his protocol.

It is recorded in the Madrid Mercantile Registry, Volume 310, Section 8, Sheet 84, Page B-6189.

According to its Articles of Association, its current registered office is in Madrid, at Principe de Vergara, 131.

Its Tax Identification Number is A-07000466.

b. Statutory modifications

No statutory modifications are made at the BANCO SABADELL as a result of the Merger.

c. Share exchange ratio

The exchange ratio, determined on the basis of the actual value of the assets of the companies participating in the Merger, will be 9 shares of BANCO SABADELL, each with a par value of 0.50 , for 10 shares of BANCO URQUIJO, each with a par value of 3.01 .

The 30,795,264 shares of BANCO URQUIJO, representing 100% of its net worth, each have a par value of 3.01 , fully subscribed and paid, and represented by book-entry securities.

The shares in BANCO SABADELL to be delivered are treasury stocks, each with a par value of 0.50 €, represented by book-entry securities that BANCO SABADELL holds in treasury shares.

Taking into account that BANCO SABADELL directly owns 30,714,734 BANCO URQUIJO shares, representing approximately 99.74% of its net worth, pursuant to Article 249 of the LSA these shares may not be exchanged for shares of BANCO SABADELL, and will in due time be redeemed.

d. Share exchange procedure

As a result of the merger operation, BANCO URQUIJO shareholders holding shares representing the company's net worth will be entitled to exchange their shares for BANCO SABADELL shares.

The exchange of shares will be effective from the date the merger is registered in the competent Mercantile Registries, and once the period for opposition to the merger has lapsed, pursuant to Article 243 of the LSA.

Shares in BANCO URQUIJO will be exchanged for shares in BANCO SABADELL within the period of one (1) month, taken from the publication in the Official Mercantile Registry Gazette and in a large circulation newspaper in the provinces where the companies taking part in the merger have their respective registered offices, to be put into effect once the merger process has concluded.

The exchange of BANCO URQUIJO shares for BANCO SABADELL shares will be carried out in accordance with the procedures established for the conditions of book-entry securities through the depository bodies, which will do so in accordance with the instructions received from the company in charge of the accounting records of the book-entry securities.

BANCO URQUIJO shareholders owning shares representing the company's net worth that are insufficient to obtain 9 BANCO SABADELL shares may join with other company shareholders.

Conversely, to pay off any fractions resulting from the share exchange proceedings depending on the exchange ratio established, BANCO

SABADELL will acquire excess BANCO URQUIJO shares from their holders at 24.74 € per share.

As a result of the merger by absorption, BANCO URQUIJO shares will be cancelled, annulled and extinguished.

e. *Share rights*

The shares delivered by BANCO SABADELL in exchange will have full rights and will give the right to indefinite participation in its profits, on the same conditions as other shares outstanding.

In any dividends paid after the registration of the deed of merger in the Mercantile Registries, existing shares in BANCO SABADELL and shares handed over in exchange will participate with equal rights in proportion to the par value of each share.

f. *Effective date of transactions for accounting purposes*

The date from which BANCO URQUIJO transactions must be considered carried out, for accounting purposes, by BANCO SABADELL, will be 1 August 2006.

g. *Shares and special rights*

Pursuant to Article 235(e) of the LSA, it is expressly acknowledged that there are no holders of shares of special classes or with special rights other than BANCO URQUIJO shares, and this issue need not therefore be considered in the Merger.

h. *Attribution of benefits*

No benefits of any kind will be granted as a result of the Merger operation outlined in this Plan to independent experts, nor directors of the companies involved in the Merger, nor any of the directors of the absorbing company, BANCO SABADELL, that, if appropriate, may be designated as such after the process of Merger of these companies has been concluded.

To approve as Balance Sheet for the Merger, according to what is laid down by article 239 of the LSA, the Balance Sheet of BANCO SABADELL closed as of 30th June 2006 drawn up and approved by the Administrators of BANCO SABADELL and

verified by the Accountants of BANCO SABADELL. The text of the Merger Balance Sheet and the relevant verification report by the Accountants is adjoined hereto as Appendix 2 of the Minutes of the Meeting.

According to what is laid down by the last paragraph of article 238 of the LSA, it is hereby stated that there has been no relevant modification whatsoever to the assets/liabilities of the companies participating in the merger after the date of drawing up the Merger Project.

According to the content of article 96 of Legislative Royal Decree 4/2004, dated 5th March, by means of which the Newly Recompiled Text on the Company Tax Act is approved, it is similarly agreed to subject this merger operation to the tax neutrality regime established in Chapter VIII of Title VII of said regulation, which constitutes and essential condition of the operation and for which purpose the compulsory communication of the merger operation must be made to the competent body in the form and period established by legislation.

The merger is conditioned, as a suspensory condition, on obtaining the permits and consents of the competent authorities required, where applicable, to execute the Merger.

JUSTIFICATION OF THE PROPOSAL

The above proposal is justified by the very terms of the Merger Project and by the report issued by the administrators,. Which is included in the documents made available to the shareholders.

TWO.- To delegate the powers to formally execute the foregoing resolutions, to the President and Secretary of the Board of Directors of the BANCO SABADELL

To delegate to both and either of the President of the Board of Directors and the Secretary of said body, any powers that may be necessary for full execution of the resolutions adopted by the Board, and thus for them to take the measures necessary or useful for proper development, execution and conclusion of the merger process, its instrumentation and formalisation and in particular, for publication of the proper announcements, guaranteeing where applicable the credits of any creditors who may oppose the merger in due time and form, granting the relevant public deeds, determining the conditions not set in the development of the exchange procedure and in general, entering into any other public or private documents as may be necessary. In particular, they are granted any powers that may be necessary for full formalisation and execution of the resolutions passed by the Board, as well as for remedying any possible errors or omissions, carrying out an action necessary until the resolutions of this Board are registered in the Mercantile Register where necessary.