

AGENDA ITEM ONE: PROPOSED RESOLUTION

Increase capital of Banco de Sabadell, S.A. via non-monetary contributions.

Increase capital stock of Banco de Sabadell, S.A. (hereinafter Banco Sabadell) by at most eleven million seven hundred and three thousand eight hundred and fifty-four Euros and twenty-five cents (Euros 11,703,854.25), through the issuance and distribution of ninety-three million six hundred thirty thousand eight hundred and thirty-four (93,630,834) ordinary shares of the same class, of Euros 0.125 par value each, to be subscribed for non-monetary contributions consisting of shares of Banco Guipuzcoano, S.A. (hereinafter Banco Guipuzcoano).

The shares to be issued will be represented by book entries and will be governed by the regulations governing the Securities Market, with Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, Sociedad Anónima (hereinafter, "IBERCLEAR") in charge of book-keeping.

(A) Recipients

This capital increase is exclusively for the shareholders of Banco Guipuzcoano who accept the Takeover Bid to be made by Banco Sabadell for 100% Banco Guipuzcoano's capital stock

(B) Number of shares to be issued

The maximum number of shares to be issued has been calculated assuming that the Takeover Bid will be accepted by 100% of Banco Guipuzcoano shareholders.

The exchange ratio is established as follows: for every eight ordinary shares of Banco Guipuzcoano, five shares of Banco Sabadell plus five subordinated bonds mandatorily convertible into Sabadell shares, and for every eight preference shares of Banco Guipuzcoano, six shares of Banco Sabadell plus five subordinated bonds mandatorily convertible into Sabadell shares.

The shares to be delivered by Banco Sabadell may be newly-issued or pre-existing. The Board of Directors of Banco Sabadell may decide, up until the day before the Extraordinary Shareholders' Meeting is held, to allocate shares in treasury stock amounting to at most 3% of capital and to proportionately reduce the amount of the capital increase with the issuance of new shares.

Nevertheless, the shareholders of Banco Guipuzcoano that accept the Bid with a number of shares leading to other than a whole number of shares or bonds after applying the share exchange ratio will receive a consideration in cash for the remainder.

(C) Rights of the new shares

The new shares will have the same rights as existing shares from the date they are registered in their holders' names.

(D) Rate of issue

The new shares will be issued in accordance with the share exchange ratio described above, and will be decided by the Board of Directors of Banco Sabadell based on the value of Banco Sabadell shares, i.e. the market price.

The non-monetary contribution attributed to Banco Guipuzcoano shares will be valued in accordance with provisions in article 38 et seq. and matching articles of the Spanish Public Companies Act.

(E) Payment

The consideration will be received via non-monetary contributions consisting of ordinary and preference shares of Banco Guipuzcoano. The shares issued under this decision will be fully subscribed and paid up via non-monetary contributions to be made at the time of subscription. The subscription of new shares of Banco Sabadell and certification of their payment will take place by granting the public instrument corresponding to the execution of the capital increase resolution.

(F) Incomplete subscription

Once the Bid is complete and has a favourable outcome, the Board of Directors may deem subscription of the capital increase as incomplete and declare capital to have been increased in the amount finally subscribed, in accordance with article 161 of the Spanish Public Companies Act.

(G) Regulation

The new shares to which this decision refers will be issued in accordance with the provisions of Securities Market Law 24/1988, of 28 July, and other applicable legislation.

(H) Amendment to the Articles of Association of Banco Sabadell

The approval of this resolution proposal entails the amendment of article 7 of the Articles of Association of Banco Sabadell; in the event of full subscription of the capital increase, the article will be amended to read as follows:

"Article 7. The share capital of the Bank is ONE HUNDRED AND SIXTY-ONE MILLION SEVEN HUNDRED AND THREE THOUSAND EIGHT HUNDRED AND FIFTY-FOUR EUROS AND TWENTY-FIVE CENTS (€161,703,854.25), represented by one billion two hundred and ninety-three million six hundred and thirty thousand eight hundred and thirty-four (1,293,630,834) registered shares with a nominal

value of Euro 0.125 each, fully paid up and numbered from 1 to 1,293,630,834, both inclusive."

In the event of incomplete subscription of the capital increase, the Board of Directors will amend article 7 of the Articles of Association of Banco Sabadell to reflect the final outcome.

Amendment of the Articles, if appropriate, is subject to the corresponding administrative authorisation which must have been obtained prior to authorisation of the Bid.

(I) Delegation to the Board of Directors

The Board of Directors is granted all the necessary powers, including the power to sub-delegate, to successfully complete the Subscription of the shares and to perform the consequent formalities, with the power to appear before public authorities and bodies, in particular before the Spanish National Securities Market Commission, to perform such actions and formalise such documents as may be necessary.

The Board of Directors is especially empowered to:

- a) Declare the capital stock which is the object of the increase as subscribed and paid, even in the event that, in accordance with article 161 of Spanish Corporations Law, not all of the securities issued are subscribed, leading to incomplete subscription, and to declare the capital increase as closed in the amount of shares subscribed. To adopt all legally required agreements for the formalisation of the resolution to execute the capital increase, and the corresponding amendment of the Articles of Association regarding the Company's capital.
- b) To perform, generally, such actions as are necessary or advisable for the capital increase to be successful.

JUSTIFICATION OF THE PROPOSAL

On 25 June 2010, the Board of Directors of Banco Sabadell resolved to make a Takeover Bid for 100% of the capital stock of Banco Guipuzcoano, offering as consideration Banco Sabadell shares and mandatory convertible bonds under the terms of the share exchange ratio described in this motion, the delivered shares being newly-issued or pre-existing.

This capital increase seeks to cover the amount needed for the consideration provided for in the Bid, in accordance with provisions in the Directors' Report issued on 25 June 2010, which has been made available to the shareholders, as stipulated in the Spanish Corporations Law.

Article 7 of the Articles of Association is to be amended to adapt it to the results of the proposed capital increase.

AGENDA ITEM TWO: PROPOSED RESOLUTION

Issue of Subordinated Bonds Mandatorily Convertible to Shares of Banco de Sabadell, S.A.

To carry out an issue of Mandatory Convertible Subordinated Bonds ("Bonds" or "Mandatory Convertible Subordinated Bonds", and "Bond" for each one of them) convertible into newly issued shares (the "Shares") of Banco de Sabadell, S.A. ("Banco Sabadell", the "Bank" or the "Company"), under the terms of a Takeover Bid (the "Bid" or the "Takeover Bid") for 100% of the share capital of Banco Guipuzcoano, S.A. ("Banco Guipuzcoano") decided by the Board of Directors of the Company on 25 June 2010 and made by Banco Sabadell in accordance with the terms and conditions and subject to the conversion rates and other conditions set out below.

(A) Issuer

The issuer is Banco de Sabadell, S.A., whose registered office is at Plaza de Sant Roc, 20, Sabadell, Tax ID No. A-08000143. Its share capital currently amounts to €150,000,000 and is divided into 1,200,000,000 ordinary shares with a nominal value of €0.125 each, all of them carrying the same rights.

(B) Amount

The value of the issue is four hundred and sixty-eight million euros (€468,000,000), and the securities to be issued are ninety-three million six hundred thousand (€93,600,000) Mandatory Convertible Subordinated Bonds; it is anticipated that the issue may not be fully subscribed, and the Board of Directors, the Executive Committee, the Chairman of the Board of Directors José Oliu Creus, and the Managing Director Jaime Guardiola Romojaro acting jointly and severally, are authorized to declare the Bond issue to be closed and to have been subscribed for up to the amount actually paid.

It is hereby declared that in accordance with Article 111 bis of Law 24/1988 of 28 July, the Securities Market Act, and Additional Provision No. 4 of Law 26/1988 of 29 July on Discipline and Supervision of Lending Institutions, the limit established in Article 282.1 of the Spanish Public Companies Act [*Ley de Sociedades Anónimas*] will not apply to this issue.

(C) Intended subscribers

The proposed issue of Subordinated Bonds Mandatorily Convertible to Shares is intended solely for shareholders of Banco Guipuzcoano, to whom the Takeover Bid for 100% of the shares of Banco Guipuzcoano made by Banco de Sabadell, S.A. has been addressed. An application for authorization of the Offer will be submitted in due course.

(D) Type of issue

The Bonds are mandatorily convertible into newly issued ordinary Banco de Sabadell shares (the “Shares”) in accordance with the terms and conditions set out in this resolution.

The Bonds are classified as subordinated and rank for payment as shown in Section (K) below.

(E) Rate of issue, nominal value and form

The rate of issue of the Bonds is at par, that is, 100% of their nominal value. The nominal value of the Bonds is five euros (€5), higher than the nominal value of Banco de Sabadell shares (€0.125 per share).

The Mandatory Convertible Subordinated Bonds will all be of the same class and series, will be subject to the same terms and conditions and will confer the same rights on their holders.

The Mandatory Convertible Subordinated Bonds will be held in book-entry form, and will be registered in the accounting books held by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (“Securities, Registration, Clearing and Settlement Company”, hereinafter referred to as “Iberclear”) and its authorized Participating Entities (“Participating Entities”).

(F) Maturity Date

The Bonds will be mandatorily convertible into shares at maturity (the “Maturity Date”), which will occur on the third anniversary of the day on which the Takeover Bid is settled (the “Settlement Date”); ultimately, all the Bonds in circulation at the maturity date which have not by then been converted, are mandatorily to be converted to shares.

(G) Yield

(G.1) Coupon rate

The applicable coupon rate, if so decided by the Board of Directors or, on its behalf, by the Executive Committee of Banco Sabadell, the Chairman of the Board of Directors José Oliu Creus, or the Managing Director Jaime Guardiola Romojaro, acting jointly and severally, as described in Sections

(G.2) to (G.5), and provided that the limits stated in Section (G.3) are not exceeded, will be a nominal 7.75% per annum on the nominal value of the Mandatory Convertible Subordinated Bonds.

Unless a declaration to the contrary has to be made by the Board of Directors or, on its behalf, by the Banco Sabadell Executive Committee, by the Chairman of the Board of Directors José Oliu Creus, or by the Managing Director Jaime Guardiola Romojaro acting jointly and severally, and with the exception stated two paragraphs further on, interest will accrue on a daily basis from the Settlement Date to the last day of the Interest Accrual Period before the Conversion Date, not inclusive, and will be the amount obtained by applying the rate of interest to the nominal value of the Bonds, dividing the product by four and rounding the result up or down to the nearest eurocent (in the case of a half eurocent, rounding up).

For the purpose of determining the annual nominal rate of interest applicable to any interest accruing on the nominal value of the Mandatory Convertible Subordinated Bonds until they are redeemed by conversion, whether voluntarily or mandatorily, the term of the issue will be divided into successive interest periods (each period to be known as an “Interest Accrual Period”), each lasting three months. If any of the aforesaid dates is not a stock market trading day it will be moved to the next following trading day.

If any Bonds are voluntarily converted, on the day of the first or second anniversary of the Settlement Date, their holders will not be entitled to any payment of interest for the calendar days elapsing between the last interest payment date and the Conversion Date, but will only receive the Shares to which they are entitled as a result of the conversion. The holders of such Bonds will, however, receive the interest payable on the last interest payment date if it has been declared by Banco de Sabadell and has not yet been paid.

(G.2) Declaration of interest payment

Except where the Distributable Profit (as defined in Section (G.5) below) is insufficient and subject to the limitations resulting from minimum capital requirements and described in Section (G.3) below, on each interest payment date Banco de Sabadell will be required, at the sole discretion of its Board of Directors or, when so authorized by the Board, of its Executive Committee, or the Chairman of the Board of Directors José Oliu Creus, or the Managing Director Jaime Guardiola Romojaro acting jointly and severally, either (i) to decide to pay the interest for that period, or (ii) to open a Voluntary Conversion Period (as defined in Section (H.2)1), in which Bondholders may opt to convert their bonds into Shares on the terms set out in Sections (H.2)1 and (I)(v) below.

If the Board of Directors or, if authorized by the Board, the Executive Committee of Banco de Sabadell, the Chairman of the Board of Directors José Oliu Creus, or the Managing Director Jaime Guardiola Romojaro, acting jointly and severally, should decide to open a Voluntary Conversion Period for the conversion of Bonds instead of paying interest on a specified date, the consequences will be as follows:

1. Restrictions on Banco de Sabadell dividends. Banco de Sabadell undertakes not to declare or pay dividends on its ordinary shares (unless distributed in the form of ordinary Banco de Sabadell shares or other Banco de Sabadell shares ranking below Banco de Sabadell's obligations in respect of the Bonds) until such time as Banco de Sabadell has paid, or has deposited for the benefit of Bondholders, an amount equivalent to the total interest payable on the Bonds in issue for the following four consecutive interest periods, such amount to be calculated at the rate of interest prevailing on the date on which such deposit is made. Where an interest payment on the Bonds has not been declared by the relevant payment date, the said interest payment cannot be declared or made after that payment date.
2. Restrictions on other distributions by Banco de Sabadell. Banco de Sabadell undertakes not to make any other distribution of any payment on its ordinary shares or on any other Banco de Sabadell shares that rank below the Bonds, until such time as Banco de Sabadell has paid, or has deposited for the benefit of Bondholders, an amount equivalent to the total interest payable on the Bonds in issue for the following four consecutive interest periods, such amount to be calculated at the rate of interest prevailing on the date on which such deposit is made. Where an interest payment on the Bonds has not been declared by the relevant payment date, the said interest payment cannot be declared or made after that payment date.
3. Restrictions on the redemption of Banco de Sabadell shares. Banco de Sabadell undertakes not to redeem, buy back or otherwise acquire (or to make any payment into any fund for such redemption, repurchase or acquisition of) its ordinary shares, except to allow provisions for or implementation of share incentive schemes for employees, managers and directors, or any other Banco de Sabadell shares ranking below Banco de Sabadell's obligations in respect of the Bonds (other than by converting or exchanging them for Banco de Sabadell shares that rank below the Bonds), until such time as Banco de Sabadell has paid, or has deposited for the benefit of Bondholders, an amount equivalent to the total interest payable on the Bonds in issue for the following four consecutive interest periods, such amount to be calculated at the rate of interest prevailing on the date on which such deposit is made. Where an interest payment on the Bonds has not been declared by the relevant payment date, the said interest payment cannot be declared or made after that payment date.

(G.3) Limitations on declarations of interest payments

The Board of Directors or, if authorized by the Board, the Executive Committee of Banco de Sabadell, the Chairman of the Board of Directors José Oliu Creus, or the Managing Director Jaime Guardiola Romojaro, acting jointly and severally, will not declare an interest payment and a Voluntary Conversion Period for the conversion of Bonds will not be opened on a specified payment date in either of the situations set out below:

- A. To the extent that such payment would, after deduction from the Distributable Profit, under the terms applicable thereto, of the interest on any Preference Shares or similar securities issued by Banco de Sabadell (in particular, the I/2009 issue of Mandatory Convertible Subordinate Bonds – the “I/2009 Bonds”), or by any other Banco de Sabadell Subsidiary under a Banco de Sabadell guarantee, payable, in either case, during the current year or proposed to be paid during the current interest accrual period (referred to collectively as the “Preference Share Interest”), exceed the Distributable Profit for the previous fiscal year.
- B. Even if there is sufficient Distributable Profit after deduction of Preference Share Interest, to the extent that Banco de Sabadell could be required, whether by Law 13/1985 of 25 May on Investment Ratios, Capital Resources and Disclosure Requirements for Financial Intermediaries (“**Law 13/1985**”), or by Royal Decree 216/2008 of 15 February, on capital requirements of financial institutions (“**Royal Decree 216/2008**”), or by the Bank of Spain’s Circular 3/2008 of 22 May to lending institutions on the determination and control of minimum capital resources (“**Circular 3/2008**”) or by any laws or regulations replacing any of them, to limit payments on its ordinary shares or on any securities of a similar nature to the Mandatory Convertible Subordinated Bonds (such as the “I/2009 Bonds”).

Under the aforesaid legal requirements, if the Bank or its consolidated group (the “Sabadell Group”) showed a shortfall in its eligible capital of more than 20% of the minimum requirement, or its core capital fell below 50% of the said minimum requirement, the Bank and each and every company in the Sabadell Group are required to appropriate all their profits or net surpluses to reserves, unless the Bank of Spain allows them to do otherwise when approving a return to compliance plan in accordance with Rule 8 of Circular 3/2008. If the shortfall in eligible capital with respect to minimum requirements is 20% or less, the Bank and each and every company in the Sabadell Group must submit a proposal for the distribution of its own results and those of each company in the Sabadell Group for approval by the Bank of Spain, which will set a minimum percentage to be allocated to reserves, having regard to the plan submitted to it for a return to minimum compliance, and such approval will be deemed to have been given if an explicit decision is not made within one month of such proposal, in which case the proportion to be paid into reserves will be as stated in the Bank’s proposal.

If the Bank or the Sabadell Group shows a capital shortfall of more than 20%, or its core capital is below 50% of the minimum capital requirement under Circular 3/2008, the holders of preference shares of the Bank will not be paid any interest, even if the Bank or the Sabadell Group shows a Distributable Profit, unless the Bank of Spain gives them authority to do otherwise in approving the plan for a return to

compliance in accordance with Rule 8 of Circular 3/2008. If the shortfall is equal to or below that percentage, the payment of interest will be subject to prior approval by the Bank of Spain. If in either of these cases, however, a distribution of dividends to shareholders is authorized, holders may be paid any interest that has been cancelled up to a limit that matches the amount of dividends paid, once the amount has been verified by the Bank of Spain.

If for any of the above reasons Banco Sabadell should find itself unable to pay interest or to open a Voluntary Conversion Period for the Bonds, the Bank will notify the Spanish Stock Market Commission (“CNMV”, as abbreviated in Spanish) as soon as possible of its decision, as a material event, and will also notify the Barcelona, Madrid and Valencia Stock Exchanges for publication in their official lists.

This would give rise to the consequences set out in Paragraphs 1 to 3 of Section (G.2) above.

(G.4) Part payment

If the limitations described in paragraphs A and B of Section G.3 above apply only in part, the Board of Directors or, if so authorized by the Board, the Executive Committee of Banco de Sabadell, the Chairman of the Board of Directors José Oliu Creus, or the Managing Director Jaime Guardiola Romojaro acting jointly and severally, shall decide either:

- (i) to declare a part payment of interest for the maximum amount possible according to calculations made in the light of the circumstances described in Paragraphs A and B of Section (G.3). This will lead to the consequences described in Paragraphs 1 to 3 of Section (G.2) above; or
- (ii) to open a Voluntary Conversion Period in accordance with Section (H.2) below, in which Bondholders may opt to convert their Bonds into Shares, which would also lead to the consequences described in Paragraphs 1 to 3 of Section (G.2) above, in which case Conversion Price Adjustments under Section (I)(v) below would not apply.

The circumstances described in paragraph (i) above are the only ones in which a partial interest payment would be made. If this were to occur, interest on the Bonds will be declared on a pro rata basis, having regard to the total amount available for the payment of interest on the Mandatory Convertible Subordinated Bonds as a proportion of the amount that would have been payable on them in the absence of the said limitations, and the number of Bonds outstanding at the time of payment.

(G.5) General terms and conditions and definitions

1. If Banco de Sabadell declares (a) that it will not pay any interest, or (b) that it will pay interest in part only, Bondholders will lose their right to receive interest for that period (or the unpaid portion thereof, as the case may be), and Banco de Sabadell will be under no obligation to pay the said interest or unpaid part thereof or any interest thereon, notwithstanding that on subsequent payment dates the circumstances

described under A and B of Section (G.3) above do not apply. Any decision not to pay interest in full will give rise to the consequences set out in Paragraphs 1 to 3 of Section (G.2) above.

2. Banco de Sabadell's obligation to pay interest, if declared by its Board of Directors or, on behalf of the Board, by its Executive Committee, the Chairman of the Board José Oliu Creus, or the Managing Director Jaime Guardiola Romojaro, acting jointly and severally, will be deemed to have been discharged when and to the extent that Banco de Sabadell pays the said interest.

In this resolution for an issue of Bonds, the terms listed below shall have the following definitions:

- (i) "Distributable Profit", in any business year, is the lesser of the net profit (calculated according to Bank of Spain Rules) of Banco de Sabadell or its consolidated group as shown in either case in its confidential annual financial statements for the Company and its consolidated group respectively, and filed with the Bank of Spain as required by the regulations applicable from time to time to Lending Institutions in relation to their obligation to prepare financial statements (at present, Bank of Spain Circular 4/2004 of 22 December on rules for the provision of public and confidential financial information and model financial statements).

If on an interest payment date the financial statements referred to above for the previous annual period have not been submitted to the Bank of Spain, then the Distributable Profit will be taken as the lesser of the net profit of: i) Banco de Sabadell or ii) its consolidated group, as shown, in both cases, in the most recent annual confidential financial statements provided to the Bank of Spain.

The net profit shown in the confidential financial statements for the Bank and its consolidated group respectively must in every case have been approved, as a minimum, by the Board of Directors of the Bank and verified by its external auditors. If the net profit figure shown in the said confidential financial statements is at variance with that shown in the published annual financial statements for the group, prepared in accordance with International Financial Reporting Standards as previously adopted by the European Union (IFRS-EU) and having regard to Bank of Spain Circular 4/2004 of 22 December, the Company must state this amount and the reason for the difference in its annual report including the said published annual financial statements for the group.

- (ii) "Subsidiary": any entity in which Banco de Sabadell holds, whether directly or indirectly, a majority of voting shares; and
- (iii) "Preference Shares": means preference shares issued under Additional Provision 2 of Law 13/1985 and those issued under other provisions, as well as securities of a similar type issued by Banco de Sabadell or by Banco de Sabadell subsidiaries with the Bank's guarantee, and, in

particular, participating interests and/or preference shares issued through subsidiaries of Banco de Sabadell set up in other jurisdictions, and the term “interest”, where the context so requires, includes both preference participations issued under the said Additional Provision 2, and preference dividends paid or payable in relation to those participations and/or preference shares and/or similar securities issued within those other jurisdictions by Banco de Sabadell or other subsidiaries of Banco de Sabadell.

(H) Conversion – rates and other conditions

(H.1) Conversion rate

The conversion rate for the Mandatory Convertible Subordinated Bonds (the “Conversion Rate”) will be fixed throughout the life of the issue so that any fluctuations in the market price of Banco de Sabadell shares do not lead to any adjustment in the Conversion Rate, without prejudice to the use of anti-dilution mechanisms as described in Section (I).

The Conversion Rate will be the number of shares obtained by dividing the nominal value of the Mandatory Convertible Subordinated Bonds (5 euros) by the value attributed to the ordinary shares of Banco de Sabadell (the “Conversion Price”), which will be 5 euros per share, subject to the provisions of the anti-dilution cause.

The number of Shares to be allotted to each holder of Mandatory Convertible Subordinated Bonds on conversion will be the result of multiplying the Conversion Rate (adjusted, if applicable, as described in Section (I)) by the number of Mandatory Convertible Subordinated Bonds held by the Bondholder. If this calculation results in any fractional shares, the said fractions will be rounded down in every case and Banco de Sabadell will pay them in cash to the holder of the Mandatory Convertible Subordinated Bonds on the same day as that on which the Shares are registered in his name. For the purposes of such payment in cash, the Shares will be valued at the Conversion Price applicable to each case as described in this section and the next following section (I).

(H.2) Types of Conversion

The Bonds will be convertible into Shares in the following ways:

1. Voluntary Conversion

The holders of Mandatory Convertible Subordinated Bonds may voluntarily request to have their Bonds converted into Shares (“Voluntary Conversion”), with respect to all or part of the Mandatory Convertible Subordinated Bonds of which they are holders, on the following dates:

- (i) within the fifteen calendar days preceding the first business day (inclusive) before the day of the first and second anniversaries of the Settlement Date;

- (ii) in any circumstances in which Banco de Sabadell has the option of opening a Voluntary Conversion Period or paying interest as described in Sections (G.3) and (G.5) above, and does effectively decide to open a Voluntary Conversion Period, within the fifteen calendar days preceding the first business day (inclusive) before the day coinciding with the end of the first, second and third quarter of each year in the life of the issue, starting from the Settlement Date.

Each such period as aforesaid will be known as a “Voluntary Conversion Period”.

In either case, Banco de Sabadell will give notice of the opening of a Voluntary Conversion Period to all holders of Mandatory Convertible Subordinated Bonds not less than fifteen calendar days before the first business day before (inclusive) the corresponding interest payment date and also, if applicable, of the Adjusted Conversion Price for that Voluntary Conversion Period as described in Section (I)(v) below, either directly or by publishing an announcement in a leading Spanish newspaper. Banco de Sabadell will likewise give fifteen days’ notice of its decision to the Iberclear Participating Entities for the purposes of arranging to convert Mandatory Convertible Subordinated Bonds into Shares; to the Spanish Securities Market Commission (CNMV) as a material event, and to the Barcelona, Madrid and Valencia Stock Exchanges for publication in their respective official lists.

2. Mandatory Conversion

In the situations described in the following paragraphs, all Mandatory Convertible Subordinated Bonds in issue at the time will of necessity be convertible into Shares (“Mandatory Conversion”):

- (i) on the day of the third anniversary of the Settlement Date;
- (ii) if Banco de Sabadell engages in any corporate action (other than a merger, spin-off or transfer of all assets and liabilities) calculated to result in the winding up and liquidation, voluntary or otherwise, of Banco de Sabadell;
- (iii) if Banco de Sabadell takes any action leading to the approval of a reduction in its capital as provided for in Articles 168 or 169 of the Spanish Public Companies Act [*Ley de Sociedades Anónimas*]; and
- (iv) if Banco de Sabadell is declared to be insolvent an order for administration or the replacement of its Board of Directors or other organ of governance in accordance with Law 26/1988 of 29 July on Discipline and Supervision of Lending Institutions, and Law 6/2005 of 22 April on the restructuring and liquidation of ending institutions and its implementing regulations.

On the occurrence of any such Mandatory Conversion event, Banco de Sabadell will so inform the holders of Mandatory Convertible

Subordinated Bonds within fifteen calendar days of the occurrence of the Mandatory Conversion event (“Mandatory Conversion Notice”), either directly or by publishing an announcement in a major daily Spanish newspaper within that same period. Banco de Sabadell will, within the same 15-day period, report any such event or situation as aforesaid to Iberclear Participating Entities for the purposes of arranging to convert Mandatory Convertible Subordinated Bonds into Shares; to the Spanish Securities Market Commission (CNMV) as a material event, and to the Barcelona, Madrid and Valencia Stock Exchanges for publication in their respective official lists.

(H.3) Conversion procedure

Holders of Mandatory Convertible Subordinated Bonds wishing to exercise their conversion rights in any of the Voluntary Conversion Periods should contact the Iberclear Participating Entity with which their Mandatory Convertible Subordinated Bonds are deposited and request that they be converted. A conversion request shall be irrevocable and consequently the Participating Entity must immediately immobilize the Mandatory Convertible Subordinated Bonds for which the request for conversion has been received. The Participating Entity will then provide Banco de Sabadell, within the time and according to any instructions given to it by the Bank, with a list of:

- (i) all holders of Mandatory Convertible Subordinated Bonds who have exercised their conversion rights during the relevant Voluntary Conversion Period; and
- (ii) the number of Mandatory Convertible Subordinated Bonds to be converted.

On the occurrence of a Mandatory Conversion Event, the Iberclear Participating Entities with which any Mandatory Convertible Subordinated Bonds then in issue have been deposited will provide to Banco de Sabadell, within the time and according to the instructions that the Bank has given them, the information set out in (i) and (ii) above for all holders of Mandatory Convertible Subordinated Bonds in issue, and will take action as described in the preceding paragraph.

The Mandatory Convertible Subordinated Bonds will be converted into Banco de Sabadell Shares, which will be issued pursuant to a resolution for an increase in capital to cover the conversion of Mandatory Convertible Subordinated Bonds, adopted by an Extraordinary General Meeting through the approval of this proposed resolution.

To this end, the Board of Directors of Banco de Sabadell (or, if applicable, the Executive Committee, the Chairman of the Board of Directors José Oliu Creus, or the Managing Director, Jaime Guardiola Romojaro, jointly and severally), within not more than one month of the end of the Voluntary Conversion Period in question or of the giving of a Mandatory Conversion Notice, will proceed to implement the resolutions for an increase in capital by issuing such Shares as may be necessary for the conversion of the

Mandatory Convertible Subordinated Bonds, and to make all necessary arrangements to have the Shares registered with Iberclear and to have them admitted to trading on the Barcelona, Madrid and Valencia Stock Exchanges via their market interconnection system (the electronic “Continuous Market”) and to present any required documents to the ruling bodies of any foreign stock exchanges on which Banco de Sabadell shares are being traded at the time of implementation of the resolution, so that the newly issued Shares resulting from the increase in capital can be admitted to trading, all within one month of the date on which the Mandatory Convertible Subordinated Bonds were converted to Shares.

If any exceptional circumstances beyond the control of Banco de Sabadell should arise, such as to make it impossible to issue Shares or to have them admitted to trading within the aforesaid periods, Banco de Sabadell will proceed to issue the Shares and request that they be admitted to trading as soon as possible and will publish the reasons for the delay in the official lists of all stock exchanges on which its Shares are traded, without prejudice to Banco de Sabadell’s possible liability by reason of such delay.

Holders of Mandatory Convertible Subordinated Bonds will have the rights to which holders of ordinary Banco de Sabadell Shares are entitled as from the date on which the Board of Directors or the Executive Committee, or the Chairman of the Board of Directors José Oliu Creus, or the Managing Director, Jaime Guardiola Romojaro, acting jointly and severally, decide to make the increase in capital for the conversion of the said Mandatory Convertible Subordinated Bonds.

(I) Anti-dilution clause

The Board of Directors or, by authority of the Board, the Bank’s Executive Committee, the Chairman of the Board of Directors José Oliu Creus, or the Managing Director Jaime Guardiola Romojaro, acting jointly and severally, will adjust the Conversion Rate referred to in Section (H.1) above in accordance with the following rules:

- (i) If the Bank should decide to distribute dividends in the form of bonus shares, or to increase the share capital out of reserves, or to reduce or increase the nominal value of its shares without altering the share capital by splitting or consolidating the number of shares in issue, the Conversion Rate will be adjusted (with effect from the Execution Date of a resolution to that effect) according to the following formula:

$$P2 = P1 \times \frac{N1}{N2}$$

where:

- P2: represents the Conversion Price resulting from the adjustment;
- P1: represents the Conversion Price before the adjustment;

- N1: represents the number of shares in issue before the adjustment; and
- N2: represents the number of shares in issue after the adjustment.

(ii) If the Bank or any Subsidiary of the Bank should decide a) to make an increase in capital or to issue, for the benefit of the Bank's shareholders, any rights to purchase shares of the Bank or other securities convertible or exchangeable for shares or rights, warrants and other securities giving the right to acquire shares by purchase, subscription, conversion or exchange or otherwise; or b) to make an increase in capital with no preferential subscription rights or carry out an issue for third parties of any securities, warrants, securities convertible or exchangeable for shares of the Bank; and the price to purchase, subscribe for, convert, exchange or otherwise acquire shares of the Bank is (i) below the Market Price in the event of an increase in capital or other issue under a) above, or (ii) less than 95% of the Market Price in the event of an increase in capital or other issue under b) above, the Conversion Rate will be adjusted (with effect from the Execution Date of a resolution to that effect) according to the following formula:

$$P2 = P1 \times \frac{(N1 + Npm)}{(N1 + Ne)}$$

where:

- P2: represents the Conversion Price resulting from the adjustment;
- P1: represents the Conversion Price before the adjustment;
- N1: represents the number of shares in issue before the adjustment;
- Ne: represents the number of shares of the issue or that would result from the exercise of rights attaching to any securities other than shares that were issued; and
- Npm represents the number of shares that could be acquired at the Market Price with an amount equal to the total price payable for "Ne" (as defined above) by purchase, subscription, conversion, exchange or otherwise by any shareholders or third parties subscribing for the shares, rights, securities or warrants whose issue had caused the dilution.

(iii) If the Bank decides to issue or distribute to its shareholders any securities (other than those referred to in Paragraph (ii) above) or assets (other than dividends in kind or in cash, or attendance fees) in the ordinary course of the Bank's business (including a reduction in the share capital or a return of capital to shareholders) or any rights to acquire any such securities or assets, the Conversion Price will be adjusted (with effect from the Execution Date of a resolution to that effect) according to the following formula:

$$P2 = P1 \frac{(PM - VR)}{PM}$$

where:

- P2: represents the Conversion Price resulting from the adjustment;
 - P1: represents the Conversion Price before the adjustment;
 - PM represents the Market Price per share on the Settlement Date or date of distribution of the aforesaid securities, rights and assets; and
 - VR represents the real value per share of the said securities, rights or assets as determined by the Board of Directors or, on its behalf, by the Executive Committee, the Chairman of the Board of Directors, José Oliu Creus, or the Managing Director, Jaime Guardiola Romojaro, acting jointly and severally, on the Settlement Date or the date of distribution.
- (iv) If the Bank should declare or distribute an Extraordinary Dividend, the Conversion Price will be adjusted (with effect from the Execution Date of a resolution to that effect) according to the following formula:

$$P2 = P1 \frac{(PM - B)}{(PM - T)}$$

where:

- P2: represents the Conversion Price resulting from the adjustment;
 - P1: represents the Conversion Price before the adjustment;
 - PM represents the Market Price per share on the market trading day before the Execution Date of the Extraordinary Dividend; and
 - B represents the Extraordinary Dividend.
 - T represents the greater of: (i) the Maximum Ordinary Dividend for the calendar year for which the Extraordinary Dividend is paid, less the sum of the Dividends paid during the said calendar year excluding B (as defined above); and (ii) zero. For the purposes of this section, a natural year will run from year to year throughout the life of the issue starting from the Settlement Date and ending on the business day before the anniversary of the Settlement Date in the following year (both inclusive).
- (v) Where the Bank has the option of declaring an interest payment or opening a Voluntary Conversion Period in the terms of Section (H.2)1 and decides to open a Voluntary Conversion Period, the Conversion Price for converting Bonds into Shares for that Accrual Period will be as shown in the following table:

ACCRUAL PERIOD	CONVERSION PRICE (€)
1	3.8
2	3.87
3	3.96
4	4.02
5	4.11
6	4.19
7	4.3
8	4.39
9	4.5
10	4.61
11	4.74
12	4.86

Any such adjusted Conversion Price will apply solely to a conversion of Bonds during a Voluntary Conversion Period opened as a result of a decision by Banco de Sabadell not to declare a payment of interest for that period or, in the case of a Voluntary Conversion Period opened on the first or second anniversary of the Settlement Date or a Mandatory Conversion on the third anniversary of the Settlement Date, when Banco de Sabadell decides, even though a sufficient Distributable Profit is available, not to declare an interest payment for those Accrual Periods.

- (vi) In the event that the Bank sees fit to make a downward adjustment to the Conversion Price and, hence, an upward adjustment to the Conversion Rate, on the occurrence of any event other than those provided for in Paragraphs (i) to (v) above (or excluded therefrom), it may make such adjustment, and in so doing will take account of whatever the Bank's auditors consider reasonable.

The Conversion Price obtained by applying the above formulas will be rounded down in all cases to the nearest eurocent. Any remainder resulting from the rounding down will be taken into account in subsequent adjustments to the Conversion Price, should any occur.

Notwithstanding the provisions set out above, no adjustment will be made to the Conversion Price or, therefore, to the Conversion Rate where, by using the formulas shown above, the Conversion Rate resulting from such adjustment (rounding down as described above) would show a variation of less than 1% with respect to the Conversion Rate prior to the adjustment, but any such variations will be taken into account in any subsequent adjustments to the Conversion Rate.

The Conversion Price will not in any circumstances be reduced to such a level as would cause shares of the Bank to be issued at below their nominal values (that is, 0.125 euros). The Conversion Rate will not be reduced in any circumstances except in the case of a consolidation of shares without alteration of the share capital.

No adjustment will be made to the Conversion Price where, under an employee share incentive scheme, shares, options, warrants or any other rights to acquire shares are issued to employees of the Bank (including members of the Board of Directors) or of any subsidiary or associated undertaking.

For the purposes of this section:

(i) Dividend shall mean:

- (a) any cash dividend paid or decided upon by the Bank (without withholding tax and including any corporation tax payable) on a particular Execution Date; plus
- (b) a dividend in kind paid or decided upon by the Bank (plus any payment on account and plus and including any corporation tax payable) on a particular Execution Date.

(ii) Extraordinary Dividend. To determine whether an Extraordinary Dividend has been paid a calculation will be made to see whether on the Execution Date of each resolution for a distribution of dividends, the sum of the Dividends paid per share in a single business year (including the year in which the Execution Date in question occurs) is greater than the Maximum Ordinary Dividend for that business year. In this case, "Extraordinary Dividend" will mean the amount by which such sum exceeds the maximum Ordinary Dividend for that business year. In determining whether there is an Extraordinary Dividend, any dividends paid in the form of bonus shares by Banco de Sabadell will not be taken into account.

(iii) Maximum Ordinary Dividend: For each Banco de Sabadell business year during the life of the issue, a sum equivalent to 50% of the total attributable profit of Banco de Sabadell as the parent company of the Sabadell Group according to the audited consolidated annual accounts of the Bank for the business year for which dividends are being paid or, in the case of interim dividends, according to the latest intermediate financial statements for the current business year, prepared in

accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and published by the Bank.

- (iv) Execution Date: (i) the date from which the Shares will be traded on the Continuous Market without their holder being entitled to claim any circumstances giving rise to a change in the Conversion Rate as provided for in this Section or, if not applicable, (ii) the date on which the event or decision of the Bank giving rise to a change in the Conversion Rate under this Section is announced by the Bank or, if no such announcement is made, the date on which the issue or associated distribution of dividends takes place.
- (v) Market Price: the Market Price of Banco de Sabadell Shares means the arithmetic mean of closing prices on the continuous market for the ten trading days prior to the Execution Date.

(J) Preferential subscription right

Holders of Mandatory Convertible Subordinated Bonds do not have any right of preferential subscription in any subsequent increase in capital and/or issue of convertible bonds by Banco de Sabadell.

(K) Rank

The Mandatory Convertible Subordinated Bonds rank as follows:

- a. behind all unsecured and subordinated creditors of Banco de Sabadell;
- b. behind Preference Shares or similar securities that have been or may be issued by the Bank and any obligations arising from guarantees that the Bank has provided or may provide with respect to Preference Shares or similar securities issued by its Subsidiaries;
- c. pari passu with any other series of subordinated bonds that has been issued or may be issued by the Bank that is expressly subordinated at the same level as the I/2009 Bonds; and
- d. above Banco de Sabadell ordinary shares.

As soon as any bonds have been converted, they rank at the same level as the ordinary shares of Banco de Sabadell, behind all unsecured and subordinated creditors of Banco de Sabadell and behind all preference shares or similar securities issued or to be issued by the Bank and all obligations arising from guarantees given or to be given by the Bank in relation to Preference Shares or similar securities issued by its Subsidiaries.

Without prejudice to the previous paragraph, in the event of a liquidation of the Bank (by any corporate action other than a merger, spin-off or general transfer of assets and liabilities), or a reduction in the capital of the Bank within the meaning of Articles 168 or 169 of the Public Companies Act, or the insolvency of Banco de Sabadell, whether voluntary or otherwise, if for any reason the Mandatory Convertible Subordinated Bonds cannot be

converted to Shares, any entitlement of the Bondholders will be limited to the amount obtained by multiplying the Conversion Rate by the liquidation proceeds per ordinary share of the Bank that would have been payable if conversion had taken place.

The holders of Mandatory Convertible Subordinated Bonds, by the mere fact of subscribing for or acquiring the Bonds, hereby waive any other rank or priority to which they might be entitled under the law applicable from time to time and, in particular, any entitlement under Articles 92 and 158 of Law 22/2003 of 9 July (Bankruptcy Law).

(L) Guarantees

The Mandatory Convertible Subordinated Bonds are in every case secured by a claim against the general assets of Banco de Sabadell subject to the rank and priority shown Section (K) above, but have no additional security.

(M) Applicable law

The Mandatory Convertible Subordinated Bonds to which this resolution relates will be governed by Spanish Law.

(N) Bondholders' Syndicate

In accordance with Article 283.2 of the Public Companies Act, Banco de Sabadell has decided to set up a Bondholders' Syndicate (the "**Bondholders' Syndicate**"), which will be governed by the regulations attached hereto and, where no express provision is made therein, by the Public Companies Act.

In addition, for the purposes of the said Article 283.2 of the Public Companies Act, it has been decided to appoint, on a provisional basis, a trustee and alternate trustee to act for the Bondholders' Syndicate until such time as the Syndicate holds its first general meeting at which the appointment is confirmed or a replacement is appointed; the provisional appointees are Sonia Quibus Rodríguez, of legal age, resident for this purpose at Plaza de Sant Roc. No. 20, Sabadell, ID Card No. 53.124.081-S, and José Tomás Querol Enrech, of legal age, resident for this purpose at Plaza de Sant Roc, No. 20, Sabadell, ID Card No. 36.920.210-N, who have accepted their appointments. The rules by which the Bondholders' Syndicate will be governed are as follows:

BONDHOLDERS' SYNDICATE – STATUTES

TITLE I : CONSTITUTION, NAME, OBJECTS, REGISTERED OFFICE, DURATION AND GOVERNANCE

Article 1 - Constitution

Subject to Section Four of Chapter X of the Consolidated Text of the Public Companies Act [Ley de Sociedades Anónimas], once a bond issue deed has been recorded in the Mercantile Registry, a Bondholders' Syndicate will be formed for holders of Mandatory Convertible Subordinated Bonds (the "Bonds") resulting from Mandatory Convertible Subordinated Bond issue I/2009, carried out by Banco de Sabadell, S.A. (the "Company" or "Banco de Sabadell") with an aggregate nominal value of up to four hundred and sixty-eight million (468,000,000) euros (the "Mandatory Convertible Subordinated Bonds").

The Bondholders' Syndicate will be governed by these Statutes and by the Consolidated Text of the Public Companies Act and other applicable legal provisions..

Article 2 – Name

The Syndicate will be known as "Syndicate of Bondholders of Mandatory Convertible Subordinate Bond Issue I/2010"..

Article 3 – Object

The Bondholders' Syndicate will have as its object the protection of Bondholders' legitimate interests in relation to the Company, through the exercise of their rights under the applicable law and these Statutes.

Article 4 – Registered office

The registered office of the Bondholders' Syndicate will be at Plaza de Sant Roc, No. 20, Sabadell. The general meeting of Bondholders may be held at any other location, provided that this is stated in the notice calling the meeting.

Article 5 – Duration

The Bondholders' Syndicate will continue until all Mandatory Convertible Subordinated Bonds have been converted to newly-issued Banco de Sabadell ordinary shares or otherwise extinguished.

Article 6 – Governance

The Bondholders' Syndicate will be governed by:

- a. the General Meeting of Bondholders; and*
- b. the Trustee.*

TITLE II – GENERAL MEETING OF BONDHOLDERS

Article 7 – Legal status

The General Meeting of Bondholders, properly called and constituted, is the body through which the wishes of Bondholders are expressed and its resolutions are binding on all Bondholders in the manner prescribed by law.

Article 8 – Calling of General Meetings

The General Meeting of Bondholders shall be called by the Board of Directors of the Company or by the Trustee as it or he shall see fit.

A General Meeting may, however, be called by the Trustee if requested in writing stating the purpose for which the meeting is to be held, by a number of Bondholders representing not less than one twentieth of the total value of Mandatory Convertible Subordinated Bonds in issue. In the event of such request, the General Meeting shall be called so as to be held within the month following that in which the request was received by the Trustee.

Article 9 – Announcement of General Meeting

A General Meeting of Bondholders shall be called by publishing an announcement not less than one month before the date on which the meeting is to be held, in the Official Gazette of the Mercantile Registry. The announcement shall state the place and time of the meeting, the business to be transacted and the proof of status to be shown by the holders of Mandatory Convertible Subordinated Bonds in order to gain access to the meeting.

In the circumstances contemplated in Article 299.2 of the Public Companies Act, the General Meeting of Bondholders shall be called in accordance with the requirements stated in that Article and in Article 97 of the same Act.

Article 10 – Right of attendance

General Meetings may be attended by all Bondholders who have acquired that status not less than five working days before the day on which the meeting is due to be held. Meetings may be attended by members of the Board of Directors of the Company, even if they have not been invited to attend.

Article 11 – Attendance by proxy

Any Bondholders entitled to attend a General Meeting may have himself represented thereat through a proxy. The appointment of a proxy must be in writing and will be specific to each General Meeting.

Article 12 – Quorum and adoption of resolutions

Save as otherwise provided in these Statutes, a General Meeting may adopt resolutions provided that those present represent two-thirds of the total value of the Mandatory Convertible Subordinated Bonds in issue. Resolutions must be adopted by an absolute majority of the votes associated with the said value. If the value of Bonds represented at the meeting fails to reach the required two-thirds of the Mandatory Convertible Subordinated Bonds in issue, a further call may be issued to attend a General Meeting one month after the first meeting, and resolutions may then be taken by an absolute majority of the votes cast by those in attendance. Notwithstanding the foregoing provisions, a General Meeting shall be deemed to have been called and validly constituted for the transaction of any business if all Bondholders are present or properly represented and unanimously agree to hold the meeting.

Article 13 – Voting rights

At a General Meeting each Bond will confer the right to one vote.

Article 14 – Chairman of the General Meeting

The General Meeting will be chaired by the Trustee who will lead the discussion, declare the discussion to be at an end when he deems it to be appropriate, and decide when a resolution is to be put to the vote.

Article 15 – List of attendees

The Trustee shall, before beginning to draft the minutes, draw up a list of all persons in attendance together with the number of Bonds represented by each, if applicable, and the number of Mandatory Convertible Subordinated Bonds represented, whether in person or by proxy.

Article 16 – Powers of the General Meeting

The General Meeting of Bondholders may pass any resolutions necessary to:

- a. protect the lawful interests of Bondholders vis à vis the Company;*
- b. appoint or remove the Trustee;*
- c. institute, where necessary, legal proceedings for the purpose; and*
- d. approve any expenses incurred in the course of protecting their common interests.*

Article 17 – Contested resolutions

Resolutions of the General Meeting may be contested by Bondholders in accordance with Section Two of Chapter V of the Consolidated Text of the Public Companies Act.

Article 18 – Minutes

The minutes of meetings of the General Meeting of Bondholders must be approved by the General Meeting on conclusion of the meeting or, failing that, within the fifteen following days, by the Trustee and two Bondholders appointed by the meeting for the purpose.

Article 19 – Certificates

Any certificates of the minutes of meetings shall be issued by the Trustee.

Article 20 – Actions and claims by individuals

Bondholders may only pursue claims or legal actions, whether in or out of court, when such claims or actions are not contrary to resolutions taken by the Syndicate on matters within its competence and are compatible with the powers vested in the Syndicate.

TITLE III – TRUSTEE

Article 21 – Legal status

The Trustee is responsible for legally representing the Bondholders' Syndicate and for acting as a link between it and the Company.

Article 22 – Appointment and term of office

Without prejudice to the appointment made in the decision on the issue of Mandatory Convertible Subordinated Bonds adopted by the Board of Directors

of the Company, which appointment shall be subject to confirmation by the General Meeting of Bondholders, the General Meeting of Bondholders shall have the power to appoint the Trustee, who shall continue in office for as long as the Syndicate continues in existence or until he is replaced by the General Meeting.

Article 23 – Powers

The Trustee shall have the following powers:

- a. To be present at the execution of the contract for the issue and subscription of Bonds on behalf of the Bondholders and to safeguard their common interests;*
- b. To call General Meetings of Bondholders and act as Chairman thereof;*
- c. To report to the Company on all resolutions taken by the Syndicate;*
- d. To oversee the payment of all coupon and any other payments to be made to Bondholders of whatever nature;*
- e. To implement resolutions of the General Meeting of Bondholders;*
- f. To exercise all rights and remedies on behalf of the Syndicate; and*
- g. Generally to exercise such powers as are vested in him under the law and these Statutes.*

Article 24 – Alternate Trustee

The General Meeting may appoint an Alternate Trustee to replace the Trustee if he is absent and unable to perform his duties.

The General Meeting of the Company may provisionally appoint an Alternate Trustee at the time of adopting the resolution to issue the Mandatory Convertible Subordinated Bonds, such appointment being subject to confirmation by the General Meeting of Bondholders.

TITLE IV – JURISDICTION

Article 25 – Jurisdiction

In all matters arising in relation to the Syndicate, the Bondholders agree to submit to the jurisdiction of the Courts in Sabadell, and expressly waive any other jurisdiction that may apply to them. Such submission shall be without prejudice to any overriding jurisdiction that may apply under the applicable legislation.

(O) Increase in capital

In accordance with Article 292 of the Public Companies Act, it is hereby resolved that the capital of the Company shall be increased by such amount as may be necessary to honour requests for conversion of Bonds from Bondholders for up to an expected initial maximum amount of €15,394,736.87, which corresponds to the maximum number of shares issuable by the Bank based on the Conversion Price, but subject to possible

alterations as a result of adjustments to the Conversion Price as set out in Section (I) above (123,157,895 shares).

The said increase in capital will be implemented, in whole or in part, by the Board of Directors or by such person or committee as it shall appoint, as many times as necessary to attend to conversions of Bonds by issuing new ordinary shares with the same nominal value and the same rights as the ordinary shares that are in issue on the execution date or dates of a resolution adopted to that effect. On each occasion on which the Board of Directors executes this resolution in the manner aforesaid, it shall make an appropriate amendment to the Article of the Articles of Association concerned with the share capital.

The number of newly issued ordinary shares that will be issued on the exercise of a conversion right will be determined by dividing the nominal value of the Bond or Bonds to be converted by the Conversion Price.

As required by Article 159.4 of the Public Companies Act, shareholders of the Company will not be entitled to any right of preferential subscription for any new shares resulting from the conversion of the Bonds into shares.

It is hereby resolved that an application will be made to have the new shares admitted to trading on the Barcelona, Madrid and Valencia Stock Exchanges by means of the Stock Market Interconnection System (the "Continuous Market"). The Board of Directors is hereby authorized to empower the Executive Committee or one or more members of the Board of Directors so that any of them may draw up the required applications, prepare and submit all necessary documents as they shall see fit and do all other acts and things as may be necessary to that end.

(P) Reporting

Together with the notice of the General Meeting, shareholders have been provided with the proposed text of the resolution and also, to satisfy the requirements of Articles 144.1.a) in relation to Article 153.1.a) and Article 292 of the Public Companies Act, an explanatory report by the Board of Directors and the required auditor's report prepared by an auditor appointed by the Mercantile Registry, rather than the Company.

(Q) Delegation of powers

Without prejudice to any power or authority specifically granted in the preceding sections of this document or to any other powers of delegation already available to them, it is hereby resolved:

- (i) That the Board of Directors be authorized to appoint the Executive Committee or one or more members of the Board of Directors to determine the time at which the issue is to be carried into effect, and to grant them express powers to decide not to carry out the issue if the Offer is withdrawn or does not meet with a positive response as set out

in the decision of the Board of Directors of 25 June 2010. To this end the Board of Directors, or by its authority the Executive Committee or any member or members of the Board of Directors, is/are hereby empowered to implement the terms and conditions in this resolution and to determine the terms and conditions of the Bonds in all matters for which provision has not been made by the General Meeting including, without limitation, the time and manner in which the Bonds are to be issued, the procedure or method for subscribing for the Bonds, the way in which subscription orders for the Bonds are to be drawn up, the subscription period and the date by which the Bonds must be paid for, the final value of the issue, the number of Bonds to be issued, the dates, place, institutions and procedures for paying interest on the Bonds and, generally, the rules and regulations governing the Bond issue; to declare, as applicable, the payment (in full or in part) of interest on the Bonds or the opening of a Voluntary Conversion Period of the Bonds; to vary the Conversion Rate in accordance with the rules set out in Section (I) of this resolution, and to implement, in whole or in part, the resolution for an increase in capital as described in Section (O) of this resolution on as many occasions as necessary to perform conversions of Bonds, with the express anticipation of the possibility of an incomplete subscription;

- (ii) That authority be granted to the Chairman of the Board of Directors, José Oliu Creus, the Managing Director, Jaime Guardiola Romojaro, the Assistant General Manager, Tomás Varela Muiña, the Secretary to the Board of Directors, Miquel Roca i Junyent, the Deputy Secretary to the Board of Directors, José Luis Negro Rodríguez, and the Secretary General, María José García Beato, acting jointly and severally so that any of them may do such acts and things and execute such public or private documents as may be expedient for the purposes of the above resolutions, with specific powers to make any amendments thereto. In particular, but by way of example only, any of the aforementioned persons may do any of the following:
 - a. To appear before a Notary and execute a notarial instrument for the bond issue, as well as a notarial act certifying the subscription and closure of the issue, publish any legally required announcements in relation to issues of Bonds in accordance with this resolution; to apply to the Mercantile Registry for the registration of any such notarial instrument or notarial act, or any instrument to amend, explain or add to the contents of these resolutions and to apply for them to be recorded in the Mercantile Registry (including partial registration, as permitted by Article 62 of the Mercantile Registry Regulations), and to do such acts and things as may be necessary for the purpose, including any acts required, in the exercise of the aforesaid powers, to remedy any defects that may be found in the course of any assessment by the Registrar, before full registration is achieved.

- b. To draw up, sign and submit to the National Stock Commission (CNMV) such documentation concerning the issuance of the Bonds as may be necessary in accordance with Law 24/1988 of 28 July (Stock Market Law), Royal Decree 1066/2007 of 27 July and Regulation (EC) 809/2004 of 29 April, and accept responsibility on behalf of the Bank for any such documentation, request verification and registration of the same by the relevant authorities and, in particular, by the CNMV.
- c. To take any action or make any declaration or other arrangements to or with the National Stock Market Commission or any Stock Exchange Management Company or the Sociedad de Bolsas, Iberclear, the Bank of Spain, the Directorate-General for Trade Policy and Foreign Investment and any other authority, organization or public or private registry, to secure the approval of the proposed Bond issue and official confirmation of its eligibility to be counted as core capital of Banco de Sabadell, and to obtain official verification and subsequent implementation of the said issue.
- d. To draw up, sign and execute such public or private documents as may be necessary and to do any act or thing in any jurisdiction in relation to the issuance of the Bonds, the offering of the new Bonds to the public and their admission to trading on any appropriate securities market.
- e. To negotiate, agree and conclude such agency, liquidity, payment agency or any other agreements as may be required, with such financial institutions as they shall see fit.
- f. To draw up, sign, execute and, if applicable, certify, documents of any description in relation to the issuance of the Bonds.
- g. Generally to do all such acts and things as may be necessary or merely expedient for the issue to be fully and properly registered with the Mercantile Registry, including the execution of such public and private documents as may be necessary or expedient in relation to the aforementioned resolutions, and to further elaborate on any aspects of the Bonds that are not covered by resolutions or decisions of the General Meeting, the Board of Directors or the Executive Committee, including modifications to the said resolutions to satisfy the requirements, whether formal or otherwise, of the CNMV and the Mercantile Registry.

JUSTIFICATION OF THE PROPOSAL

On 25 June 2010 the Board of Directors of Banco Sabadell took a decision to make a Takeover Bid for 100% of the share capital of Banco Guipuzcoano and to offer in consideration of the said Offer shares and mandatory convertible

subordinated bonds of Banco Sabadell on terms that are expressed in the exchange formula described in this resolution.

As part of the necessary preparations to deliver the consideration to be paid under the aforesaid Bid, the present proposal for an issue of Mandatory Convertible Subordinated Bonds has been drawn up in accordance with the rationale set out in the Report of the Directors of 25 June 2010, which has been provided to shareholders in accordance with the Spanish Public Companies Act.

AGENDA ITEM THREE: PROPOSED RESOLUTION

Apply for listing on stock exchanges of the shares and bonds issued under the foregoing resolutions if approved.

To that end, within at most two months from the decision to close the subscription period and in the terms set out in the Prospectus, an application will be made to list the newly-issued shares and bonds on the Barcelona, Madrid and Valencia Stock Exchanges and in the Electronic Market (Sistema de Interconexión Bursátil Español), expressly stating the Company's acceptance of any rules that exist or may be issued governing the Stock Exchanges, particularly trading, permanence and delisting.

For the purposes of article 27.b) of the Regulation of Stock Exchanges approved by Decree 1506/1967, of 30 June, it is expressly stated that, in the event that an application were made subsequently to delist the shares or bonds from the Spanish stock markets, that decision will be made with the same formalities while safeguarding the interests of shareholders and bondholders, as the case may be, who oppose or do not vote on the decision; all the foregoing will be done in accordance with the provisions of the aforementioned Regulation of Stock Exchanges, the Securities Market Law and their implementing regulations.

JUSTIFICATION OF THE PROPOSAL

This proposal is a direct technical consequence of the proposal to increase capital and issue mandatory convertible subordinated bonds, and its sole purpose is to enable the new securities to be listed alongside the pre-existing securities.

AGENDA ITEM FOUR: PROPOSED RESOLUTIONS

First motion under item Four of the Agenda

To set the number of members of the Board of Directors of Banco de Sabadell, S.A. at 15, following an amendment to the Articles of Association of Banco de Sabadell, S.A. upon obtainment of the pertinent authorisations, to read as follows:

“Article 51. The Board of Directors shall consist of a maximum of 15 and a minimum of 11 shareholder members appointed by the General Meeting, who shall hold office for five years and may be reappointed and shall not be required to provide guarantees other than under Article 54 of these Articles, and shall perform their duties and represent the Company in a diligent and businesslike way and shall abstain from revealing any confidential information of which they become aware in the course thereof, even after they have ceased to hold office.

On reaching the age of 70 years a Director may complete his term of office in the post to which he has been appointed but may not be re-elected.

Any vacancies arising on the Board of Directors shall be filled by the General Meeting unless the Board decides, in the interests of the Company, to act in accordance with paragraph 2 of Article 138 of the Act.

Shareholders acting collectively in the manner and in accordance with the requirements of Article 137 of the Act shall be entitled to appoint Directors accordingly.

A Director may be removed at any time by a Resolution of the General Meeting.

Holding office as a Director is compatible with the holding of any other position or office in the Company.”

JUSTIFICATION OF THE PROPOSAL

In view of the decision adopted by the Board of Directors of Banco de Sabadell, S.A. on 25 June 2010, to make a takeover bid for 100% of the capital of Banco Guipuzcoano, S.A., it is necessary to increase the number of directors who may form part of the Board of Directors of Banco de Sabadell, S.A., as set out in the Directors' Report dated 25 June 2010, which has been placed at the shareholders' disposal in accordance with the provisions of the Spanish Public Companies Act.

The Articles of Association will be amended following obtainment of the pertinent legal or regulatory authorisations that must be obtained prior to authorisation of the takeover bid.

Second motion under item Four of the Agenda

At the suggestion of the Nomination and Remuneration Committee and in accordance with the provisions of Article 51 of the Articles of Association, as amended under the preceding motion, appoint Mr José Echenique Landiribar, holding ID Card No. 15.768.843-C, as a member of the Board of Directors for a period of five years, with the status of Independent Director. This appointment is

made to fill the vacancy created on the Board following the amendment of the Articles of Association and the establishment of the number of the members of the Board at 15.

JUSTIFICATION OF THE PROPOSAL

Within the new limits established in article 51 of the Articles of Association as amended under the preceding motion, it is proposed to appoint Mr José Echenique Landiribar, holding ID Card No. 15.768.843-C, who is currently Chairman of Banco Guipuzcoano, S.A., a prestigious entrepreneur who, because of his track record, is considered to fulfil all the requirements for his appointment and status.

This appointment of an Independent Director is made to fill the vacancy currently existing on the Board, in accordance with the proposal submitted by the Nomination and Remuneration Committee, based on the reasons and in accordance with the criteria presented in the report of said Committee; this report is included in the documentation made available to the Shareholders and highlights, in particular, his professional capacity and suitability for this post.

Third motion under item Four of the Agenda

At the suggestion of the Nomination and Remuneration Committee and in accordance with the provisions of Article 51 of the Articles of Association, as amended under the preceding motion, appoint Mr José Ramón Martínez Sufrategui, holding ID Card No. 16.492.354-C, as a member of the Board of Directors for a period of five years, with the status of Independent Director. This appointment is made to fill the vacancy created on the Board following the amendment of the Articles of Association and the establishment of the number of the members of the Board at 15.

JUSTIFICATION OF THE PROPOSAL

Within the new limits established in article 51 of the Articles of Association as amended under the preceding motion, it is proposed to appoint Mr José Ramón Martínez Sufrategui, holding ID Card No. 16.492.354-C, an entrepreneur and architect, who, because of his track record, is considered to fulfil all the requirements for his appointment and status.

This appointment of an Independent Director is made to fill the vacancy currently existing on the Board, in accordance with the proposal submitted by the Nomination and Remuneration Committee, based on the reasons and in accordance with the criteria presented in the report of said Committee; this report is included in the documentation made available to the Shareholders and highlights, in particular, his professional capacity and suitability for this post.

AGENDA ITEM FIVE: PROPOSED RESOLUTION

To make execution of the preceding resolutions adopted by the General Meeting conditional upon authorisation, within their respective scopes, of the National Securities Market Commission (CNMV), the Bank of Spain, the Directorate-General of Insurance and Pension Funds, the National Competition Commission, and any other pertinent authority, of the takeover bid for 100% of the shares of Banco Guipuzcoano, S.A. and, very expressly, the acceptance of the takeover bid by the shareholders of Banco Guipuzcoano, S.A. and to the other terms and conditions also set out in the announcement prior to the application for authorisation of the takeover bid to be made by Banco de Sabadell, S.A., which was notified to the National Securities Market Commission on 25 June 2010, which will be recognised in the Takeover Prospectus to be issued, and in the final terms and conditions to be decided by the Board of Directors of Banco de Sabadell, S.A.

JUSTIFICATION OF THE PROPOSAL

As set out in the Directors' Report issued on 25 June 2010, which has been made available to the shareholders, the motions laid before the Shareholders' Meeting arise from the takeover bid to be made by Banco de Sabadell, S.A. for 100% of the shares of Banco Guipuzcoano, S.A.; therefore, it is logical to make the foregoing proposals conditional upon obtainment of the authorisations required by law.

AGENDA ITEM SIX: PROPOSED RESOLUTION

To expressly authorise the Chairman of the Board of Directors, Mr José Oliu Creus, the Secretary, Mr Miquel Roca i Junyent, and the Deputy Secretary of the Board, Mr José Luis Negro Rodríguez, or the persons who may replace them in their respective posts of Chairman, Secretary and Deputy Secretary, in order that any one of them, individually, on behalf of the Bank, may:

Take such steps as may be necessary to obtain the necessary authorisations or inscriptions from the Bank of Spain, Ministry of Economy and Finance (Directorate-General of the Treasury and Finance Policy) and the National Securities Market Commission; appear before a Notary for the purpose of executing the resolutions adopted in a public instrument, and take all steps that may be appropriate or necessary to achieve complete execution and recording thereof, as and when appropriate, in the corresponding public registries and, in particular, in the Mercantile Registry; this authorization shall include the power to correct, clarify, interpret, specify or supplement, where appropriate, the

resolutions adopted in any public instruments or documents that may be executed for implementation thereof and, in particular, any defects, omissions or errors, of form or content, that may impede recording of the resolutions adopted and of their consequences in the Mercantile Registry, and to incorporate, on their own authority, any modifications that may be necessary to this effect or that may be indicated verbally or in writing by the Mercantile Registrar or required by the competent authorities, with no need for further consultation of the General Meeting.

This power extends to performing any legal acts that may be necessary to execute the foregoing decisions and implement them appropriately, including the adaptation of the content of the aforementioned agreements, and making any necessary corrections, clarifications and rectifications that may be necessary to that end.