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| B #: | 1905-15 |
| Date: | October 12, 2015 |
| To: | All Participants |
| Category: | Dividends |
| From: | International Services |
| Attention: | Operations, Reorg & Dividend Managers, Partners & Cashiers |
| Subject: | <u>Country:</u> Spain BBVA Preferred, SAU <u>CUSIP:</u> 05530RAB4 <u>Record Date:</u> 10/02/2015 <u>Payable Date:</u> 10/18/2015 |

***** No CA Web Instructions *****

Questions regarding this Important Notice may be directed to GlobeTax at +1 212-747-9100.

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Non-Confidential



BBVA INTERNATIONAL PREFERRED, SAU has announced the following interest payment.

On Payment Date, all holders will receive this interest payment free of Spanish Non-Resident Income Tax, provided that the paying agent submits a statement in accordance with the form attached as an annex to Royal Decree 1145/2011 (RD 1145/2011).

Notwithstanding the above, the Issuer is still required to disclose certain information in relation to any Spanish taxpayers who received the interest payment free of the Spanish Non-Resident Income Tax.

As such BBVA and GlobeTax, kindly, request that each DTC Participant determine if there were any intermediaries or Spanish taxpayers (Spanish individuals, Spanish corporates or non-resident investors with a permanent establishment in Spain) who received the interest payment free of withholding tax on payment date. BBVA and GlobeTax, kindly, request that each DTC Participant submit the

details of these intermediaries or Spanish taxpayers through the ESP system by the deadlines below. Additionally, should a DTC Participant not have any intermediaries or Spanish taxpayers or are unable to determine whether or not you have intermediaries or Spanish taxpayers as holders as of the payment date of the income event, BBVA and GlobeTax, kindly, ask that you log into our system and make a simple attestation to that effect.

The submission through the ESP system will be considered compliant with the below Voluntary Disclosure Procedure. This issue is NOT eligible through CA Web.

| EVENT DETAILS | |
|-------------------------|--|
| COUNTRY OF ISSUANCE | SPAIN |
| ISSUE | BBVA INTERNATIONAL PREFERRED, SAU |
| CUSIP# | 05530RAB4 |
| ISIN# | US05530RAB42 |
| PAYMENT DATE | OCTOBER 18, 2015 |
| INTEREST RATE | 5.92% |
| FIXED OR VARIABLE | FIXED |
| DAYS IN INTEREST PERIOD | 180 |

REQUIREMENT AND DEADLINES (ALL TIMES IN EST)

| VOLUNTARY DISCLOSURE PROCEDURE | SUBMISSION METHOD | ENTITIES | REQUIRED DOCUMENTATION* | ESP SUBMISSION DEADLINE | SOFT COPY (SCAN / FAX) DEADLINE | HARD COPY (ORIGINALS) DEADLINE |
|---|--------------------------|---|---|--------------------------------|--|---------------------------------------|
| PARTICIPATING (RELEVANT ENTITIES) | ESP | SPANISH TAXPAYERS AND/OR INTERMEDIARIES | EXHIBIT I – DISCLOSURE | NOVEMBER 10, 2015 8:00 PM | NOVEMBER 11, 2015 8:00 PM | NOVEMBER 12, 2015 5:00 PM |
| PARTICIPATING (NO RELEVANT ENTITIES) | ESP | NO SPANISH TAXPAYERS OR INTERMEDIARIES | EXHIBIT I – STATEMENT OF NON-DISCLOSURE | NOVEMBER 10, 2015 8:00 PM | NOVEMBER 11, 2015 8:00 PM | NOVEMBER 12, 2015 5:00 PM |
| NON-PARTICIPATING | ESP | N/A | EXHIBIT I – STATEMENT OF INABILITY TO PARTICIPATE | NOVEMBER 10, 2015 8:00 PM | NOVEMBER 11, 2015 8:00 PM | NOVEMBER 12, 2015 5:00 PM |

***ALL DOCUMENTATION IS CREATED THROUGH ESP**

ESP, powered by GlobeTax, is an electronic withholding tax submission system. This system allows for the secure and simplified transfer of beneficial owner level data from the Participant to GlobeTax and creates applicable documentation on behalf of the Participant.

Submit the data online through the web site below, print out the documents on letterhead, sign them, and:

- a) scan the ESP created Exhibit I and email it to Aina_Moreno@GlobeTax.com; OR
- b) fax the ESP created Exhibit I to 1-212-747-0029; AND
- c) mail the ESP created Exhibit I to GlobeTax at the address below

These claims should be submitted through the following web site. (Requires a one-time registration)

<https://esp.globetax.com/>

Please contact Ms. Aina Moreno at 1-212-747-9100 or via email at Aina_Moreno@GlobeTax.com if you have any questions about this process.

DESIGNATED INTERMEDIARIES

Intermediaries (i.e. Omnibus accounts) may be designated through the ESP system by checking a box on the review and submit page and then entering in contact details and the account number or TIN# of the intermediary.

The Intermediaries will be notified of their designation automatically through the system and will be able to continue to provide details on their designated position directly through the ESP system, without any further action taken by the DTC Participants. GlobeTax recommends that DTCC Participants introduce the system to those who they designate as intermediaries so that they know to expect the email and who they can contact should they have any questions about the system.

Intermediaries will not be able to provide details that exceed the payment date position allocated to them by any of the intermediaries upstream, including DTC Participants.

The ESP system can source the beneficial owner data through six levels of intermediaries.

Please refer to the "USER GUIDE" available on the top banner of the ESP site for more details on the ESP system, as designed for the Voluntary Disclosure Procedure.

CONTACT DETAILS

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|---------------------|---|
| PRIMARY CONTACT | AINA MORENO |
| INTERNATIONAL PHONE | 1-212-747-9100 |
| INTERNATIONAL FAX | 1-212-747-0029 |
| EMAIL ADDRESS | AINA_MORENO@GLOBETAX.COM |
| COMPANY | GLOBETAX |
| STREET ADDRESS | 90 BROAD STREET, 16 TH FLOOR |
| CITY/STATE/ZIP | NEW YORK, NY 10004 |
| ADDITIONAL CONTACTS | SHERELLE ISAACS |