

## **AGREEMENT PROPOSAL ON THE SEVENTH POINT ON THE AGENDA**

***“SEVEN. Authorize the Board of Directors, with power of substitution, for a maximum period of five years, to issue simple, convertible and / or exchangeable bonds, and / or other fixed income securities (including, in particular, bonds and notes) up to the limit of 250 million euros, with the power to exclude the preferential subscription right of the shareholders and holders of convertible titles. Authorization for the Company to guarantee, within the limits described above, the issuances of securities by subsidiaries.”***

Authorize the Board of Directors, annulling the agreement of the General Shareholders Meeting of 23<sup>rd</sup> May 2012 regarding to the amount not disposed under such agreement and in accordance with the general regime on bond issuance to issue securities in accordance with the following conditions:

1. - Securities to be issued.- The marketable securities under this delegation of power can be simple bonds or debentures, notes and other fixed income securities, as well as exchangeable securities for shares of the Company or any other company, belonging or not to its Group, and/or convertible securities into shares of the Company (hereto, **“Securities”**).
2. Duration of the delegation. - The Securities issuance object of this authorization may be conducted one or several times within the maximum assessment period of five (5) years from the date of the adoption of the agreement.
3. Maximum amount of the delegation.-
  - a. The total maximum amount of the Securities issuance, different from notes, resolved upon pursuant to this authorization, shall be 150 millions of euros or its equivalent in any other currency.
  - b. For its part, the remaining balance of the issued notes pursuant to this authorization could not exceed at any time the 100 million euros or its equivalent in any other currency. This restriction is independent to the established in the previous section a).

To the maximum pursuant to article 405 of the Corporations Act, the Securities issued in accordance to this agreement, it shall not be applied the limit established in article 405 of the Corporations Act, for being issues directed exclusively to qualified investors and/or the Company being a listed public company .

4.- Authorization Scope. - This authorization is extended, as broadly as it may be required by law, to the establishment of the different aspects and conditions of each issuance, including but not limited to, the nominal value, type of issuance, redemption price, currency of the issuance, interest rate, amortization, subordination clauses, issuance guarantees, place of issue, placement and subscription regime, admission to trading, applicable law, etc. and, generally, any other issuance condition, as well as, if applicable, designation of the commissioner and approval of the basic rules that shall govern the legal relations between the Company and the syndicate of the holders of the securities to issue, in case it may be necessary or the constitution of the aforementioned syndicate is decided.

5. Basis y methods of conversion and/or exchange.- For the case of bonds or convertible and/or exchangeable notes issuance, and for the purposes of the determination of the basis and methods of conversion and/or exchange, it is agreed to establish the following criteria:

- a) The relation of conversion and/or exchange shall be fixed, and for this purpose the debentures and/or exchangeable bonds shall be rated by their nominal value and the shares at the fixed rate indicated in the agreement of the Board of Directors, or at the rate of exchange defined on the date(s) indicated in the agreement of the Board of Directors, and according to the market value of the Company shares on the date(s) or in the period(s) taken as a reference in the agreement. Nonetheless, the price of the shares shall not be inferior than the highest between (i) the arithmetic average of the closing prices on the continuous market over a period to be specified by the Board of Directors, not exceeding three months and less than fifteen days, prior to the Board meeting that makes use of this authorization to approve the issue of debentures and bonds, and (ii) the closing share price on the continuous market prior to the Board Meeting that makes use of this authorization to approve the issue of bonds and notes.
- b) In any case, the convertible bonds shall be issued at a rate inferior to their nominal value. Likewise, pursuant to article 415 of the Corporations Act, bonds shall not be converted into shares when their nominal value is inferior to them.
- c) When appropriate the conversion and/or exchange, the fractional shares that, if applicable, may correspond to the holder of debentures and notes shall be rounded down to the nearest whole number, and each holder shall receive any difference that may arise due to such circumstances in cash.
- d) By the time to approve a debentures and convertible and/or exchangeable notes issuance under the authorization contained in this agreement, the Board of Directors shall issue a report explaining and specifying, on the basis of the above criteria, the basis and methods of conversion specifically applicable in such issuance. This report shall be accompanied by the corresponding accounts auditors' report referred to in article 416 of the Corporations Act.

6. - Rights of the holders of the convertible securities.- The holders of convertible and/or exchangeable securities shall enjoy as the rights recognized under the existing legislation, and specially, shall be protected through the corresponding anti-dilution clauses.

7. - Capital increase and exclusion of the subscription preference right.- The delegation for the issuance of debentures and bonds convertible into new subscription shares shall comprise:

- a) The power to increase capital by the amount necessary to assist the requests of conversion of convertible debentures or bonds into new issuance shares. Such power, may only be exercised to the extent that the Board of Directors, adding together the capital increase to meet the requirements of the convertible debentures or bonds issue and the remaining capital issues that may have been resolved under the authorities conferred by the Meeting, does not surpass the limit of half the capital stock figure provided in article 297.1.b) of the Corporations Act.
- b) The power to suppress the preferential subscription right for shareholders or holders of convertible debentures or bonds, when necessary to raise funds on international markets, the use of techniques based on the listing process or in whatever manner the Company's best interests may require. In any case, if the Board of Directors may decide to remove the preferential subscription right regarding to a specific issuance of debentures or bonds convertible into new issuance shares that eventually may decide to execute pursuant to this authorization, it will put out a report in due time to be able to approve the issue which shall be accompanied by the relative report of the accounts auditor referred to in article 506 of the Corporations Act.

- c) The power/authority to developed and specify the basis and methods of conversion and/or exchange established in the previous fifth paragraph and, in particular, to determine the time of conversion and/or exchange, which shall be limited to a determined period, the ownership of the right of conversion and/or exchange of the bonds, which may be assigned to the Company or the bondholders, the way to satisfy the bondholder (through conversion, exchange or even the combination of both techniques, that might be left to his choice for the time of execution or even establish the necessary convertible character of the bonds object of issuance) and, in general, all such matters and conditions as may be necessary or appropriate for the issue.

8. - Admission to trading.- The Company shall request, when appropriate, the admission to trading on secondary markets, official or unofficial, organized or unorganized, national or foreign, of the Securities issued by the Company by virtue of this delegation, authorizing the Board of Directors, as broadly as may be required by law, for the performance of the formalities and steps necessary or appropriate for the admission listing before the competent bodies of the different securities markets, national or foreign.

It is hereby expressly noted that, in the event of subsequent request for exclusion to trading, this shall be adopted with the same formalities for the admission request, insofar as they are applicable, and in such case, the interest of any shareholders or holders of debentures who oppose or vote against the agreement in accordance with the terms established in the current legislation. Likewise, it is expressly stated that the Company shall abide to the existing rules or those that may be enacted with regard to stock exchange, and specially, to admission, maintenance and suspension from trading.

9. - Guarantee of Securities issuance by subsidiaries. - The Board of Directors is equally authorized to guarantee on behalf of the Company, within the limits previously noted, the new Securities issues that, during the agreement term, the subsidiaries execute.

10. - Power/Authority of substitution – The Board of Directors is expressly authorized to delegate pursuant the established in article 249 of the Corporations Act, the authorities referred to in this agreement.

The English version is a translation of the original in Spanish for information purposes only. In case of adiscrepancy, the Spanish original will prevail.
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