

SIMPLIFIED BASE PROSPECTUS



**GENERALITAT DE CATALUNYA
(GOVERNMENT OF CATALONIA)**

EUR 9,000,000,000

EURO MEDIUM TERM NOTE PROGRAMME

Generalitat de Catalunya (the "**Issuer**") has prepared this simplified base prospectus ("**Simplified Base Prospectus**") for the purpose of giving information with regard to the issue of notes ("**Notes**") issued under the Euro Medium Term Note Programme (the "**Programme**") described in this Simplified Base Prospectus during the period of twelve months after the date hereof.

Applications have been made to the Luxembourg Stock Exchange in its capacity as relevant market operator under Chapter 2 of Part III of the Luxembourg Act of 10 July 2005, as amended relating to prospectuses for securities (*Loi relative aux prospectus pour valeurs mobilières*) for Notes issued under the Programme during the period of twelve months after the date of this Simplified Base Prospectus to be listed on the official list of the Luxembourg Stock Exchange and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of the Directive on Markets in Financial Instruments 2004/39/EC. The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.

The Programme (Long-Term) has been rated BB by Standard & Poor's Credit Market Services Europe Limited Sucursal en España ("**S&P**"). The Programme (Short-Term) has been rated B by S&P.

The Programme (Long-Term) has been rated Ba3 by Moody's Investors Services España, S.A. ("**Moody's**"). The Programme (Short-Term) has been rated NP by Moody's.

The Programme (Long-Term) has been rated BBB- by Fitch Ratings España, S.A. Unipersonal ("**Fitch**"). The Programme (Short-Term) has been rated F3 by Fitch.

Each of S&P, Moody's and Fitch is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").

The Notes have not been and will not be registered under the United States Securities Act of 1933 and the Notes will be subject to United States tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to United States persons.

Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the abilities of the Issuer to fulfil its obligations under the Notes are discussed under "Risk Factors" below.

Arranger

Goldman Sachs International

Dealers

Banco Bilbao Vizcaya Argentaria, S.A.

CaixaBank, S.A.

Crédit Agricole CIB

Credit Suisse

Deutsche Bank

Goldman Sachs International

HSBC

J.P. Morgan

**Société Générale Corporate &
Investment Banking**

Santander Global Banking & Markets

The date of this Simplified Base Prospectus is 20 December 2013

CONTENTS

	Page
RISK FACTORS	8
INFORMATION INCORPORATED BY REFERENCE	14
FINAL TERMS AND DRAWDOWN PROSPECTUSES	15
FORMS OF THE NOTES.....	16
TERMS AND CONDITIONS OF THE NOTES	19
FORM OF FINAL TERMS.....	41
SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM	56
DESCRIPTION OF GENERALITAT DE CATALUNYA	59
TAXATION	75
SUBSCRIPTION AND SALE	77
USE OF PROCEEDS	79
GENERAL INFORMATION	80

IMPORTANT NOTICES

Generalitat de Catalunya (the "**Issuer**") accepts responsibility for the information contained in this Simplified Base Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Simplified Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under "Terms and Conditions of the Notes" (the "**Conditions**") as amended and/or supplemented by a document specific to such Tranche called final terms (the "**Final Terms**") or in a separate prospectus specific to such Tranche (the "**Drawdown Prospectus**") as described under "Final Terms and Drawdown Prospectuses" below. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Simplified Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise. This Simplified Base Prospectus must be read and construed together with any amendments or supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes which is the subject of Final Terms, must be read and construed together with the relevant Final Terms.

The Issuer has confirmed to the Dealers named under "Subscription and Sale" below that this Simplified Base Prospectus contains all information which is (in the context of the Programme, the issue, offering and sale of the Notes) material; that such information is to the best of its knowledge true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect; that, to the best of its knowledge, this Simplified Base Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme, the issue, offering and sale of the Notes) not misleading in any material respect; and that all proper enquiries have been made to verify the foregoing.

No person is or has been authorised by the Issuer to give any information or to make any representation not contained in or not consistent with this Simplified Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any Dealer.

Neither the Dealers nor any of their respective affiliates have authorised the whole or any part of this Simplified Base Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Simplified Base Prospectus. Neither the delivery of this Simplified Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Simplified Base Prospectus is true subsequent to the date hereof or the date upon which this Simplified Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial position of the Issuer since the date thereof or, if later, the date upon which this Simplified Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Simplified Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Simplified Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Simplified Base Prospectus or any Final Terms and other offering material relating to the Notes, see "Subscription and Sale". In particular, Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

Neither this Simplified Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuer, the

Dealers or any of them that any recipient of this Simplified Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Simplified Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed EUR 9,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into euro at the date of the agreement to issue such Notes (calculated in accordance with the provisions of the Dealer Agreement)). The maximum aggregate principal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement as defined under "Subscription and Sale".

In this Simplified Base Prospectus, unless otherwise specified, references to a "**Member State**" are references to a Member State of the European Economic Area, references to "**EUR**" or "**euro**" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended, and references to "**GBP**" or "**sterling**" are to United Kingdom pounds sterling.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

SUMMARY

This summary must be read as an introduction to this Simplified Base Prospectus and any decision to invest in the Notes should be based on a consideration of the Simplified Base Prospectus as a whole, including any information incorporated by reference. Where a claim relating to the information contained in this Simplified Base Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member States, be required to bear the costs of translating the Simplified Base Prospectus before the legal proceedings are initiated.

Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Simplified Base Prospectus have the same meanings in this summary.

Issuer:	Generalitat de Catalunya.
Description:	Euro Medium Term Note Programme.
Risk Factors:	Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the Notes are discussed under "Risk Factors" below.
Arranger:	Goldman Sachs International.
Dealers:	<p>Banco Bilbao Vizcaya Argentaria, S.A., Banco Santander, S.A., CaixaBank, S.A., Crédit Agricole Corporate and Investment Bank, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Goldman Sachs International, HSBC Bank plc, J.P. Morgan Securities plc, Société Générale and any other Dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to one or more Tranches of Notes.</p> <p>The Issuer may from time to time terminate the appointment of any Dealer under the Programme or appoint additional Dealers either in respect of one or more Tranches or in respect of the whole Programme.</p>
Fiscal Agent:	Deutsche Bank AG, London Branch, unless it is specified in the Final Terms relating to any Series that another fiscal agent is appointed in respect of that Series. References in this Simplified Base Prospectus to "Fiscal Agent" are to Deutsche Bank AG, London Branch, or such other alternative Fiscal Agent, as the case may be.
Luxembourg Paying Agent:	Deutsche Bank Luxembourg S.A.
Luxembourg Listing Agent:	<p>Deutsche Bank Luxembourg S.A.</p> <p>The Issuer may appoint such other listing and/or paying agent(s) as it considers, including as required pursuant to the requirements (if any) for listing, trading and/or quotation of any listing authority, stock exchange and/or quotation system.</p>
Final Terms or Drawdown Prospectus:	Notes issued under the Programme may be issued either (1) pursuant to this Simplified Base Prospectus and associated Final Terms or (2) pursuant to a Drawdown Prospectus. The terms and conditions applicable to any particular Tranche of Notes will be the Conditions of the Notes as supplemented, amended and/or replaced to the extent described in the relevant Final Terms or, as the case may be, the relevant Drawdown Prospectus.

Listing and Trading:	Applications have been made for Notes to be admitted during the period of twelve months after the date hereof to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange. The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system, or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer. Listing of Notes on a stock exchange (including the Barcelona Stock Exchange) other than the Luxembourg Stock Exchange may necessitate modifications being made to the structure of the Programme prior to such Notes being admitted to listing and trading on such stock exchange.
Clearing Systems:	Euroclear and/or Clearstream, Luxembourg and/or, in relation to any Tranche of Notes, any other clearing system as may be specified in the relevant Final Terms.
Initial Programme Amount:	Up to EUR 9,000,000,000 (or its equivalent in other currencies) aggregate principal amount of Notes outstanding at any one time.
Issuance in Series:	Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations.
Method of Issue:	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in Series having one or more issue dates on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be fungible with all other Notes of that Series. The specific terms of each Tranche will be set out in the relevant Final Terms.
Forms of Notes:	Notes may only be issued in bearer form. Each Tranche of Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Final Terms. Each Global Note which is not intended to be issued in new global note form (a " Classic Global Note " or " CGN "), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Global Note which is intended to be issued in new global note form (a " New Global Note " or " NGN "), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Final Terms, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Final Terms as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a

Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.

Currencies:

Notes may be denominated in euro, United States dollars, Japanese yen, Brazilian reales, Swedish krona, Norwegian krona, Swiss francs, United Kingdom pounds sterling, Turkish lira, Australian dollars or New Zealand dollars or in such other currencies as may be agreed between the Issuer and the relevant Dealers, subject to compliance with all applicable legal and/or regulatory and/or central bank (or equivalent body) requirements. Payments in respect of Notes may, subject to such compliance, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.

Initial Delivery of Notes:

On or before the issue date for each Tranche, the Global Note representing the Notes may (or, in the case of Notes listed on the official list of the Luxembourg Stock Exchange, shall) be deposited with a common depositary or common safekeeper (as the case may be) on behalf of Euroclear and Clearstream, Luxembourg and/or any other relevant clearing system. Global Notes relating to Notes that are not listed on the official list of the Luxembourg Stock Exchange may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer. Notes will be initially delivered in accordance with the procedures specified in the applicable Final Terms (or, if appropriate, a supplement to this Simplified Base Prospectus).

Status of the Notes:

Notes will be issued on an unsubordinated basis.

Issue Price:

Notes may be issued at any price (for example, at their principal amount or at a discount or premium to their principal amount) and either on a fully or partly paid basis, as specified in the relevant Final Terms. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.

Maturities:

Any maturity up to a maximum of 30 years as may be agreed between the Issuer and the relevant Dealer(s), subject, in relation to the Issuer or the specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank (or equivalent body) requirements.

Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, such Notes must: (i) have a minimum redemption value of GBP 100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the FSMA by the Issuer.

Ratings:

S&P have assigned a rating of BB for the Programme (Long-Term) and a rating of B for the Programme (Short-Term).

Moody's have assigned a rating of Ba3 for the Programme (Long-Term) and a rating of NP for the Programme (Short-Term).

Fitch have assigned a rating of BBB- for the Programme (Long-Term) and a rating of F3 for the Programme (Short-Term).

The Programme has been given the ratings by the rating agencies as set out above. Tranches of Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings assigned to the Programme. A security rating is not a recommendation to buy, sell, or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Redemption:

The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders. The terms of any such redemption, including notice periods, any relevant conditions to be satisfied and the relevant redemption dates and prices will be indicated in the applicable Final Terms.

The applicable Final Terms may provide that Notes may be redeemable in two or more instalments of such amounts and on such dates as are indicated in the applicable Final Terms.

Notes having a maturity of less than one year from the date of issue may be subject to restrictions on their denomination and distribution. See "Maturities" above.

Optional Redemption:

Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders to the extent (if at all) specified in the relevant Final Terms.

Tax Redemption:	Except as described in "Optional Redemption" above, early redemption will only be permitted for tax reasons as described in Condition 10(b) (<i>Redemption and Purchase - Redemption for tax reasons</i>).
Interest:	Interest on the Notes may accrue at a fixed rate or a floating rate or other variable rate or be index- or inflation-linked and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series. The rate or amount of interest payable in respect of Notes shall be determined in the manner specified in the applicable Final Terms
Denomination of the Notes:	Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank (or equivalent body) requirements, save that no Notes may be issued under the Programme which have a minimum denomination of less than EUR 1,000 (or its near equivalent in another currency).
Negative Pledge:	The Notes will have the benefit of a negative pledge as described in Condition 5 (<i>Negative Pledge</i>).
Cross Default:	The Notes will have the benefit of a cross default as described in Condition 13 (<i>Events of Default</i>).
Taxation:	All payments of principal and interest in respect of Notes will be made free and clear of withholding taxes of the Kingdom of Spain, unless the withholding is required by law. In that event, the Issuer will (subject as provided in Condition 12 (<i>Taxation</i>)) pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such withholding been required, including but not limited to any non-resident's income tax (<i>impuesto sobre la renta de no residentes</i>) and any penalty or extra charges related to such taxes, if any, that may be imposed on the Noteholders in Spain as a consequence of their holding of any Notes and/or Coupons. Interest and income deriving from the transfer, exchange, redemption or reimbursement of Notes issued under the Programme and received by the Noteholders who are (a) resident in Spain for tax purposes, or (b) non-resident in Spain but acting through a permanent establishment in Spain, will be subject to taxation in Spain.
Governing Law:	The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by English law.
Enforcement of Notes in Global Form:	In the case of Global Notes, individual investors' rights against the Issuer will be governed by a Deed of Covenant dated 20 December 2013, a copy of which will be available for inspection at the specified office of the Fiscal Agent.
Selling Restrictions:	For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the European Economic Area, the United Kingdom and the Kingdom of Spain, see "Subscription and Sale" below.

RISK FACTORS

Prospective investors should read the entire Simplified Base Prospectus. Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Simplified Base Prospectus have the same meanings in this section.

Investing in Notes issued under the Programme involves certain risks. Set forth below are risk factors that the Issuer believes are the principal risks involved in an investment in Notes that will be generally applicable to most Series of Notes. Any risks that are relevant only to a particular Series of Notes will be described in the related Final Terms. If any of the following risks actually occurs, the trading price and/or value at maturity of the Notes of the Issuer could decline and an investor could lose all or part of its investment. The inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should consider, among other things, the following:

Risks Relating to the Issuer

Spain is comprised of 17 autonomous regions (*Comunidades Autónomas*), one of which is the Issuer. The division of powers between each region and the central government is established primarily in the Spanish Constitution and in the Region's Statutes (*Estatutos de Autonomía*). If there were changes in the Spanish Constitution and the Region's Statutes, or a new constitution were to enter into force modifying the political system and current distribution of powers, the Issuer's ability to service the Notes could be prejudiced. Historically, each region receives a portion of its revenues through transfers from the central government. Any reduction of these transfers, if not offset by increases in other revenues, may affect the Issuer's ability to service the Notes.

Risks Related to the Notes

The notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Simplified Base Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets, and
- (v) be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Risks related to the structure of a particular issue of Notes

A wide range of Notes are likely to have a limited market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Index-Linked, Inflation-Linked and Dual Currency Notes

The Issuer may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a "**Relevant Factor**"). In addition, the Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) they may lose all or a substantial portion of their principal;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified; and
- (vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

Partly-paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of his investments.

Variable Rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

There is no active trading market for the Notes

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. Although application has been made for the Notes issued under the Programme to be admitted to listing on the official list of the Luxembourg Stock Exchange, there is no assurance that such application will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes.

Illiquidity may have a severely adverse effect on the market value of Notes. Investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Changes in exchange rates could reduce the market value of the Notes and the value of payments on the Notes to an investor

An investment in Notes denominated in a Specified Currency that is not the currency of the investor's jurisdiction (the "**investor's currency**") entails risks that are not present in a similar investment in a debt security denominated in the investor's currency. These risks include:

- the possibility of significant market changes (including changes due to devaluation of the Specified Currency or revaluation of the investor's currency) in rates of exchange between the investor's currency and the Specified Currency;
- the possibility of significant changes in rates of exchange between the investor's currency and the Specified Currency resulting from official redenomination or revaluation of the Specified Currency or the investor's currency; and
- the possibility that authorities with jurisdiction over the investor's currency may impose or modify exchange controls.

These risks depend on factors over which the Issuer has no control and which may not be readily foreseeable, such as economic events (both national and global), political events and the supply of, and demand for, the relevant currencies.

The rates of exchange between currencies in which Notes may be denominated have historically been volatile, and this volatility may be expected in the future. Past fluctuations in particular rates of exchange are not necessarily indicative of future fluctuations that may occur during the term of any Note. Depreciation of the Specified Currency for a particular Note against the investor's currency would result

in a reduction of the effective yield of such Note below its coupon rate and could result in a substantial loss to the investor at maturity in terms of the investor's currency.

Changes in market interest rates may result in reduced market value of an investment in fixed rate Notes

If market interest rates increase after an investor has invested in Notes bearing interest at a fixed rate, the market value of those Notes may be adversely affected.

Change of law

The Conditions of the Notes are based on English law in effect as of the date of this Simplified Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change of English law or administrative practice after the date of this Simplified Base Prospectus.

Early repayment of Notes may expose an investor to reinvestment risk

Pursuant to Condition 10(b) (*Redemption and Purchase – Redemption for tax reasons*), the Issuer has the right to redeem a Series of Notes prior to its Maturity Date in the event of certain changes in Spanish tax laws. In addition, the Final Terms for a particular Series of Notes may provide that the Issuer has the right to redeem a Series of Notes prior to its Maturity Date at any time or on specified dates. In either event, upon an investor's receipt of the redemption proceeds for his Notes, the investor may not be able to reinvest those proceeds in an investment with a comparable yield to the Notes or in an investment of similar or better credit quality.

Legal investment considerations may restrict investments by some investors

The investment activities of certain investors are subject to legal investment laws and regulations, or to review or approval by governmental authorities. Each potential investor should consult its legal advisors to determine whether and to what extent (a) a particular Series of Notes is a legal investment for it, (b) such Series can be used as collateral for borrowings, pledges or repurchase transactions and (c) any other consequences of a proposed investment in Notes. Institutions that are subject to risk-based capital or similar rules should consult their legal advisors or regulators to determine the treatment of a particular Series of Notes under such rules.

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

Notes issued under the Programme may be represented by one or more Global Notes. Such Global Notes will be deposited with a common depositary, in the case of a CGN, or a common safekeeper, in the case of a NGN, for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Notes are represented by one or more Global Notes the Issuer will discharge its payment obligations under the Notes by making payments to the common depositary or common safekeeper, as applicable, for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes will not have a direct right under the Global Notes to take enforcement action against the Issuer in the event of a default under the relevant Notes but will have to rely upon their rights under the Deed of Covenant.

Notes issued with a Minimum Denomination

Notes may be issued with a minimum denomination. The Final Terms of a Tranche of Notes may provide that, for so long as the Notes are represented by a Global Note and Euroclear and Clearstream, Luxembourg (or other relevant clearing system) so permit, the Notes will be tradable in nominal amounts (a) equal to, or integral multiples of, the minimum denomination, and (b) the minimum denomination plus integral multiples of an amount lower than the minimum denomination.

Definitive Notes will only be issued (a) if so specified in the Final Terms, on the expiry of such period of notice as may be specified in the Final Terms, (b) if Euroclear or Clearstream, Luxembourg (or other relevant clearing system) is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (c) if any of the circumstances described in Condition 13 (*Events of Default*) occurs. The Final Terms may provide that, if Definitive Notes are issued, such Notes will be issued in respect of all holdings of Notes equal to or greater than the minimum denomination. However, Noteholders should be aware that Definitive Notes that have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade. Definitive Notes will in no circumstances be issued to any person holding Notes in an amount lower than the minimum denomination and such Notes will be cancelled and holders will have no rights against the Issuer (including rights to receive principal or interest or to vote) in respect of such Notes.

In relation to any issue of Notes which have a denomination consisting of a minimum Specified Denomination of EUR 100,000 plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of EUR 100,000 (or its equivalent) that are not integral multiples of EUR 100,000 (or its equivalent). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination of EUR 100,000 may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to the Specified Denomination of EUR 100,000.

Credit Rating

The Programme has been assigned a rating by S&P, Moody's and Fitch. Tranches of Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings described above. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors and other factors that may affect the value of the Notes. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Any adverse change in an applicable credit rating could adversely affect the trading price for the Notes issued under the Programme.

Implementation of EU Savings Directive may affect withholding of tax on Notes

Under EC Council Directive 2003/48/EC (the "**EU Savings Directive**") on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State. However, for a transitional period, Luxembourg and Austria will, subject to certain exceptions, apply a withholding system in relation to such payments, deducting tax at rates rising over time to 35% (unless during that transitional period they elect to provide information in accordance with the EU Savings Directive). The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any paying agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is required to maintain a paying agent in a Member State that is not obliged to withhold or deduct tax pursuant to the EU Savings Directive.

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

INFORMATION INCORPORATED BY REFERENCE

The terms and conditions set out on pages 21 to 38 of the simplified base prospectus dated 10 March 2009 (the "**2009 Conditions**"), the terms and conditions set out on pages 28 to 57 of the simplified base prospectus dated 19 March 2010 (the "**2010 Conditions**"), the terms and conditions set out on pages 28 to 57 of the simplified base prospectus dated 18 March 2011 (the "**2011 Conditions**") and the terms and conditions set out on pages 20 to 41 of the simplified base prospectus dated 20 March 2012 (the "**2012 Conditions**"), in each case relating to the Programme under the heading "Terms and Conditions of the Notes" shall be deemed to be incorporated in, and to form part of, this Simplified Base Prospectus.

All supplements to this Simplified Base Prospectus, which are filed with the Luxembourg Stock Exchange, shall be deemed to be incorporated in, and form part of, this Simplified Base Prospectus, save that any statement contained herein or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Simplified Base Prospectus to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Simplified Base Prospectus.

The Issuer will, in connection with the listing of the Notes on the official list of the Luxembourg Stock Exchange, so long as any Note remains outstanding and listed on such exchange, in the event of any significant new factor the disclosure of which would reasonably be required by investors and their professional advisers and would reasonably be expected by them to be found in this Simplified Base Prospectus, or in the event of any material mistake or inaccuracy relating to information included in this Simplified Base Prospectus and which is capable of affecting the assessment of any Notes, prepare a further supplement to this Simplified Base Prospectus or publish a new Simplified Base Prospectus for use in connection with any subsequent issue of Notes to be listed on the official list of the Luxembourg Stock Exchange. If the terms of the Programme are modified or amended in a manner which would make this Simplified Base Prospectus, as supplemented, inaccurate or misleading, a new Simplified Base Prospectus will be prepared. In particular, the Issuer may at any time publish a supplement to this Simplified Base Prospectus, or publish a new Simplified Base Prospectus, reflecting such changes to this Simplified Base Prospectus as the Issuer has been obliged to make in order to comply with applicable laws and regulations.

Copies of any supplements to this Simplified Base Prospectus may be obtained, free of charge, in printed form during normal business hours at the offices of the Issuer and at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out below. This Simplified Base Prospectus and copies of the documents incorporated by reference will also be published on the Luxembourg Stock Exchange's website (*www.bourse.lu*).

FINAL TERMS AND DRAWDOWN PROSPECTUSES

In this section the expression "necessary information" means, in relation to any Tranche of Notes, the information necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and of the rights attaching to the Notes. In relation to the different types of Notes which may be issued under the Programme, the Issuer has endeavoured to include in this Simplified Base Prospectus all of the necessary information except for information relating to the Notes which is not known at the date of this Simplified Base Prospectus and which can only be determined at the time of an individual issue of a Tranche of Notes.

Any information relating to the Notes which is not included in this Simplified Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained in the relevant Final Terms or in a Drawdown Prospectus. Such information will be contained in the relevant Final Terms unless any of such information constitutes a significant new factor relating to the information contained in this Simplified Base Prospectus in which case such information, together with all of the other necessary information in relation to the relevant series of Notes, may be contained in a Drawdown Prospectus.

For a Tranche of Notes which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche only, supplement this Simplified Base Prospectus and must be read in conjunction with this Simplified Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes which is the subject of Final Terms are the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Final Terms.

The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus will be the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Simplified Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

Each Drawdown Prospectus will be constituted either (1) by a single document containing the necessary information relating to the Issuer and the relevant Notes or (2) by a registration document (the "**Registration Document**") containing the necessary information relating to the Issuer, a securities note (the "**Securities Note**") containing the necessary information relating to the relevant Notes and, if necessary, a summary note. In addition, if the Drawdown Prospectus is constituted by a Registration Document and a Securities Note, any significant new factor, material mistake or inaccuracy relating to the information included in the Registration Document which arises or is noted between the date of the Registration Document and the date of the Securities Note which is capable of affecting the assessment of the relevant Notes will be included in the Securities Note.

FORMS OF THE NOTES

Notes issued under the Programme may only be issued in bearer form. Each Tranche of Notes will initially be in the form of either a temporary global note (the "**Temporary Global Note**"), without interest coupons, or a permanent global note (the "**Permanent Global Note**"), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a "**Global Note**") which is not intended to be issued in new global note ("**NGN**") form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear Bank S.A./N.V. ("**Euroclear**") and/or Clearstream Banking, société anonyme, Luxembourg ("**Clearstream, Luxembourg**") and/or any other relevant clearing system and each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

On 13 June 2006 the European Central Bank (the "**ECB**") announced that Notes in NGN form are in compliance with the "Standards for the use of EU securities settlement systems in ESCB credit operations" of the central banking system for the euro (the "**Eurosystem**"), provided that certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

The relevant Final Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**") are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Note

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note", then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the prompt delivery (free of charge to the bearer) of such Permanent Global Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Fiscal Agent; and
- (ii) receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership,

within 7 days of the bearer requesting such exchange.

The principal amount of the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership; *provided, however, that* in no circumstances shall the principal amount of the Permanent Global Note exceed the initial principal amount of the Temporary Global Note.

The Permanent Global Note will be exchangeable in whole, but not in part, for Notes in definitive form ("**Definitive Notes**"):

- (i) on the expiry of such period of notice as may be specified in the relevant Final Terms; or

- (ii) if the relevant Final Terms specifies "in the limited circumstances described in the Permanent Global Note", then if (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 13 (*Events of Default*) occurs.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

Temporary Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules or the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

Permanent Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being "Permanent Global Note exchangeable for Definitive Notes", then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

- (i) on the expiry of such period of notice as may be specified in the relevant Final Terms; or
- (ii) if the relevant Final Terms specifies "in the limited circumstances described in the Permanent Global Note", then if (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 13 (*Events of Default*) occurs.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under "Terms and Conditions of the Notes" below and the provisions of the relevant Final Terms which supplement, amend and/or replace those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Summary of Provisions Relating to the Notes while in Global Form" below.

Legend concerning United States persons

In the case of any Tranche of Notes having a maturity of more than 365 days, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

General

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Pursuant to the Agency Agreement (as defined under "Terms and Conditions of the Notes"), the Fiscal Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S) applicable to the Notes of such Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 10 (*Redemption and Purchase*). In such circumstances, where any Note is still represented by a Global Note and such Global Note (or any part thereof) has become due and repayable in accordance with the Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of such Global Note then the holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg, as the case may be will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear and Clearstream, Luxembourg on and subject to the terms of a deed of covenant (the "**Deed of Covenant**") dated 20 December 2013 and executed by the Issuer.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, as supplemented, amended and/or replaced by the relevant Final Terms, will be endorsed on each Note in definitive form issued under the Programme. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Summary of Provisions Relating to the Notes while in Global Form" below.

1. Introduction

- (a) *Programme*: Generalitat de Catalunya (the "**Issuer**") has established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to EUR 9,000,000,000 in aggregate principal amount of notes (the "**Notes**").
- (b) *Final Terms*: Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of final terms (the "**Final Terms**") which supplement these terms and conditions (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as supplemented, amended and/or replaced by the relevant Final Terms. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail. The Final Terms are available for viewing in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and are available for viewing and obtainable in printed form free of charge during normal business hours at the offices of the Issuer and at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out below.
- (c) *Agency Agreement*: The Notes are the subject of an amended and restated issue and paying agency agreement dated 20 December 2013 (the "**Agency Agreement**") between the Issuer, Deutsche Bank AG, London Branch as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Notes) and the paying agents named therein (together with the Fiscal Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes).
- (d) *The Notes*: All subsequent references in these Conditions to "Notes" are to the Notes which are the subject of the relevant Final Terms.
- (e) *Summaries*: Certain provisions of these Conditions are summaries of the Agency Agreement and are subject to its detailed provisions. Noteholders and the holders of the related interest coupons, if any, (the "**Couponholders**" and the "**Coupons**", respectively) are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement applicable to them. Copies of the Agency Agreement are available for viewing by Noteholders during normal business hours at the Specified Offices of each of the Paying Agents.

2. Interpretation

- (a) *Definitions*: In these Conditions the following expressions have the following meanings:
 - "**Accrual Yield**" has the meaning given in the relevant Final Terms;
 - "**Additional Business Centre(s)**" means the city or cities specified as such in the relevant Final Terms;
 - "**Additional Financial Centre(s)**" means the city or cities specified as such in the relevant Final Terms;
 - "**Business Day**" means:
 - (i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and

- (ii) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

"Business Day Convention", in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (i) **"Following Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (ii) **"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (iii) **"Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (iv) **"FRN Convention"**, **"Floating Rate Convention"** or **"Eurodollar Convention"** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred *provided, however, that*:
 - (A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
 - (B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
 - (C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (v) **"No Adjustment"** means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

"Calculation Agent" means the Fiscal Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

"Calculation Amount" has the meaning given in the relevant Final Terms;

"Coupon Sheet" means, in respect of a Note, a coupon sheet relating to the Note;

"Day Count Fraction" means, in respect of the calculation of an amount for any period of time (the **"Calculation Period"**), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

- (i) if **"Actual/Actual (ICMA)"** is so specified, means:
 - (A) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

- (B) where the Calculation Period is longer than one Regular Period, the sum of:
- (1) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
 - (2) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (ii) if "**Actual/Actual (ISDA)**" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iii) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;
- (iv) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;
- (v) if "**30/360**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows

$$\text{Day Count Fraction} = \frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y₁**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y₂**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M₁**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M₂**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D₁**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"**D₂**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (vi) if "**30E/360**" or "**Eurobond Basis**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y₁**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30; and

- (vii) if "**30E/360 (ISDA)**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D₁" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

"**Deed of Covenant**" means the deed of covenant dated 20 December 2013 and executed by the Issuer;

"**Early Redemption Amount (Tax)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Early Termination Amount**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, these Conditions or the relevant Final Terms;

"**Extraordinary Resolution**" has the meaning given in the Agency Agreement;

"**Final Redemption Amount**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"First Interest Payment Date" means the date specified in the relevant Final Terms;

"Fixed Coupon Amount" has the meaning given in the relevant Final Terms;

"Interest Amount" means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

"Interest Commencement Date" means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

"Interest Determination Date" has the meaning given in the relevant Final Terms;

"Interest Payment Date" means the First Interest Payment Date and any other date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (i) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

"Interest Period" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

"ISDA Definitions" means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.);

"Issue Date" has the meaning given in the relevant Final Terms;

"Margin" has the meaning given in the relevant Final Terms;

"Maturity Date" has the meaning given in the relevant Final Terms;

"Maximum Redemption Amount" has the meaning given in the relevant Final Terms;

"Minimum Redemption Amount" has the meaning given in the relevant Final Terms;

"Optional Redemption Amount (Call)" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"Optional Redemption Amount (Put)" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"Optional Redemption Date (Call)" has the meaning given in the relevant Final Terms;

"Optional Redemption Date (Put)" has the meaning given in the relevant Final Terms;

"Participating Member State" means a Member State of the European Communities which adopts the euro as its lawful currency in accordance with the Treaty;

"Payment Business Day" means:

- (i) if the currency of payment is euro, any day which is:

- (A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (B) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- (ii) if the currency of payment is not euro, any day which is:
- (A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
 - (B) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

"Person" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"Principal Financial Centre" means, in relation to any currency, the principal financial centre for that currency provided, however, *that*:

- (i) in relation to euro, it means the principal financial centre of such Member State of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and
- (ii) in relation to Australian dollars, it means either Sydney or Melbourne and, in relation to New Zealand dollars, it means either Wellington or Auckland; in each case as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

"Put Option Notice" means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"Put Option Receipt" means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"Rate of Interest" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms;

"Redemption Amount" means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Final Terms;

"Reference Banks" has the meaning given in the relevant Final Terms or, if none, four major banks selected by the Calculation Agent in the market that is most closely connected with the Reference Rate;

"Reference Price" has the meaning given in the relevant Final Terms;

"Reference Rate" has the meaning given in the relevant Final Terms;

"Regular Period" means:

- (i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where **"Regular Date"** means the day and month (but not the year) on which any Interest Payment Date falls; and
- (iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where **"Regular Date"** means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period.

"Relevant Date" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"Relevant Financial Centre" has the meaning given in the relevant Final Terms;

"Relevant Screen Page" means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"Relevant Time" has the meaning given in the relevant Final Terms;

"Reserved Matter" means any proposal to change any date fixed for payment of principal or interest in respect of the Notes or of maturity or redemption of the Notes, to reduce or cancel the amount of principal or interest payable on any date in respect of the Notes, to reduce the rate or rates of interest in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change any method of calculating the Final, Early or Optional Redemption Amounts, to change the currency or currencies of any payment under the Notes or denomination of the Notes, to take any steps which as specified herein may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution;

"Specified Currency" has the meaning given in the relevant Final Terms;

"Specified Denomination(s)" has the meaning given in the relevant Final Terms;

"Specified Office" has the meaning given in the Agency Agreement;

"Specified Period" has the meaning given in the relevant Final Terms;

"Subsidiary" means, in relation to any Person (the **"first Person"**) at any particular time, any other Person (the **"second Person"**):

- (i) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or

- (ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

"**Talon**" means a talon for further Coupons;

"**TARGET2**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

"**TARGET Settlement Day**" means any day on which TARGET2 is open for the settlement of payments in euro; and

"**Treaty**" means the Treaty establishing the European Communities, as amended.

(b) *Interpretation:* In these Conditions:

- (i) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (ii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iii) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 12 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (iv) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 12 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (v) references to Notes being "outstanding" shall be construed in accordance with the Agency Agreement;
- (vi) if an expression is stated in Condition 2(a) (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is "not applicable" then such expression is not applicable to the Notes; and
- (vii) any reference to the Agency Agreement shall be construed as a reference to the Agency Agreement as amended and/or supplemented up to and including the Issue Date of the Notes.

3. **Form, Denomination and Title**

The Notes are in bearer form in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. In the case of a Series of Notes with more than one Specified Denomination, Notes of one Specified Denomination will not be exchangeable for Notes of another Specified Denomination. Title to the Notes and the Coupons will pass by delivery. The holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such holder. No Person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.

4. **Status of the Notes**

The Notes constitute direct, unsubordinated and unconditional and (without prejudice to the provisions of Condition 5 (*Negative Pledge*)) unsecured obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other existing present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

5. **Negative Pledge**

In accordance with the Legislative Decree 3/2002, of 24 December 2002, of the consolidated text of the Law of Public Finance of the Autonomous Community of Catalonia (*Decret Legislatiu 3/2002, de 24 de desembre, pel qual s'aprova el Text refós de la Llei de finances públiques de Catalunya*) and the Legislative Decree 1/2002, of 24 December 2002, of the consolidated text of the Law of Wealth of the Generalitat de Catalunya (*Decret Legislatiu 1/2002, de 24 de desembre, pel qual s'aprova el Text refós de la Llei de Patrimoni de la Generalitat de Catalunya*), except for those cases established by the applicable laws any assets belonging to the public domain cannot be the subject of any encumbrance, charge, lien, transaction or arbitration and furthermore the Issuer is prohibited from pledging or mortgaging or granting any security interest (*gravar*) over its assets or rights not belonging to the public domain without meeting the legal requirements applicable in order to sell them.

6. **Fixed Rate Note Provisions**

- (a) *Application:* This Condition 6 (*Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (*Fixed Rate Note Provisions*) (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder, and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) *Fixed Coupon Amount:* The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.
- (d) *Calculation of interest amount:* The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

7. **Floating Rate Note, Index-Linked and Inflation-Linked Interest Note Provisions**

- (a) *Application:* This Condition 7 (*Floating Rate Note, Index-Linked and Inflation-Linked Interest Note Provisions*) is applicable to the Notes only if the Floating Rate Note Provisions or the Index-Linked or Inflation-Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Accrual of interest:* The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder, and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) *Screen Rate Determination:* If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:

- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (iii) if, in the case of (i) above, such rate does not appear on that page or, in the case of (ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
 - (A) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
 - (B) determine the arithmetic mean of such quotations; and
- (iv) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; *provided, however, that* if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

(d) *ISDA Determination:* If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "ISDA Rate" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;
- (ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms; and
- (iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on the London inter-bank offered rate (LIBOR) for a currency, the first day of that Interest Period or (B) in any other case, as specified in the relevant Final Terms.

- (e) *Index-Linked and Inflation-Linked Interest:* If the Index-Linked or Inflation-Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable, the Rate(s) of Interest applicable to the Notes for each Interest Period will be determined in the manner specified in the relevant Final Terms.
- (f) *Maximum or Minimum Rate of Interest:* If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.
- (g) *Calculation of Interest Amount:* The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.
- (h) *Calculation of other amounts:* If the relevant Final Terms specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Final Terms.
- (i) *Publication:* The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.
- (j) *Notifications etc:* All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of wilful default, bad faith or manifest error or proven error) be binding on the Issuer, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

8. **Inflation-Linked Interest Notes**

The Issuer may issue Notes the payment of principal of which and/or interest on which are linked to one or more inflation indices ("**Inflation-Linked Notes**"). This Condition 8 (*Inflation-Linked Interest Notes*) is applicable only in relation to Notes specified in the relevant Final Terms as being Inflation-Linked Notes.

- (a) *Delay of Publication:* If any level of an Index for a Reference Month which is relevant to the calculation of a payment under the Notes (a "**Relevant Level**") has not been published or announced by the day that is five Business Days prior to the next Specified Interest Payment Date under the Notes, the Calculation Agent shall determine a Substitute Index Level (in place of such Relevant Level) in a commercially reasonable manner in its sole discretion. If a Relevant

Level is published or announced at any time after the day that is five Business Days prior to the next Specified Interest Payment Date, such Relevant Level will not be used in any calculations. The Substitute Index Level so determined pursuant to this Condition 8(a) (*Inflation-Linked Notes – Delay of Publication*), will be the definitive level for that Reference Month.

- (b) *Cessation of Publication:* If a level for the Index has not been published or announced for two consecutive months or the Index Sponsor announces that it will no longer continue to publish or announce the Index then the Calculation Agent shall determine a Successor Index (in lieu of any previously applicable Index) for the purposes of the Notes by using the following methodology:
- (i) If at any time a Successor Index has been designated by the Calculation Agent pursuant to the terms and conditions of the Related Bond, such Successor Index shall be designated a "Successor Index" for the purposes of all subsequent Specified Interest Payment Dates in relation to the Notes, notwithstanding that any other Successor Index may previously have been determined under Conditions 8(b)(ii), 8(b)(iii) or 8(b)(iv) below; or
 - (ii) If a Successor Index has not been determined under Condition 8(b)(i) above and a notice has been given or an announcement has been made by the Index Sponsor, specifying that the Index will be superseded by a replacement index specified by the Index Sponsor, and the Calculation Agent determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Index, such replacement index shall be the Index for purposes of the Notes from the date that such replacement index comes into effect; or
 - (iii) If a Successor Index has not been determined under Condition 8(b)(i) or 8(b)(ii) above, the Calculation Agent shall ask five leading independent dealers to state what the replacement Index for the Index should be. If between four and five responses are received, and of those four or five responses, three or more leading independent dealers state the same Index, this Index will be deemed the "Successor Index". If three responses are received, and two or more leading independent dealers state the same Index, this Index will be deemed the "Successor Index". If fewer than three responses are received, the Calculation Agent will proceed to Condition 8(b)(iv) below; or
 - (iv) If no Successor Index has been deemed under Condition 8(b)(i), 8(b)(ii) or 8(b)(iii) above by the fifth Business Day prior to the next Affected Payment Date the Calculation Agent will determine an appropriate alternative index for such Affected Payment Date, and such index will be deemed a "Successor Index"; the Calculation Agent shall determine the method of determining the Relevant Level if no such alternative Index is available.
- (c) *Rebasing of the Index:* If the Calculation Agent determines that an Index has been or will be rebased at any time, the Index as so rebased (the "**Rebased Index**") will be used for purposes of determining the level of such Index from the date of such rebasing; provided, however, that the Calculation Agent shall make such adjustments as are made by the Calculation Agent pursuant to the terms and conditions of the Related Bond, if any, to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased. If there is no Related Bond, the Calculation Agent shall make adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased. Any such rebasing shall not affect any prior payments made under the Notes.
- (d) *Material Modification Prior to Payment Date:* If, on or prior to the day that is five Business Days before a Specified Interest Payment Date, an Index Sponsor announces that it will make a material change to an Index then the Calculation Agent shall make any such adjustments to the Index consistent with adjustments made to the Related Bond, or, if there is no Related Bond, only those adjustments necessary for the modified Index to continue as the Index.
- (e) *Manifest Error in Publication:* If, within thirty days of publication and prior to the redemption of the Notes or payments in respect of any relevant Specified Interest Payment Date, the Calculation Agent determines that the Index Sponsor has corrected the level of the Index to remedy a

manifest error in its original publication, the Calculation Agent will notify the holders of the Notes in accordance with Condition 19 (*Notices*) of (i) that correction, (ii) the adjusted amount that is then payable under the Notes as a result of that correction and (iii) take such other action as it may deem necessary to give effect to such correction, provided that any amount payable pursuant to sub-paragraph (ii) above shall be paid (with no interest accruing thereon) (a) in connection with an Index Sponsor's correction to remedy a manifest error in the level of an Index for a Reference Month for which the Specified Interest Payment Date has occurred, within five Business Days after notice of such amount payable by the Calculation Agent, (b) in connection with an Index Sponsor's correction to remedy a manifest error in the level of an Index for a Reference Month for which the Specified Interest Payment Date has not occurred, as an adjustment to the payment obligation on the next Specified Interest Payment Date or (c) if there is no further Specified Interest Payment Date, within five Business Days after notice of such amount payable by the Calculation Agent.

(f) Definitions Applicable to Inflation-Linked Notes

In relation to Inflation-Linked Notes, the following expressions have the meanings set out below:

"Affected Payment Date" means each Specified Interest Payment Date in respect of which an Index has not been published or announced;

"Fallback Bond" means an Inflation-Linked bond selected by the Calculation Agent that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Calculation Agent will select the Fallback Bond from those inflation-linked bonds issued on or before the Issue Date and, if there is more than one inflation-linked bond maturing on the same date, the Fallback Bond shall be selected by the Calculation Agent from those bonds. If the Fallback Bond redeems the Calculation Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged);

"Index" means any index specified as such in the applicable Final Terms;

"Index Sponsor" means, in respect of an Index, the entity that publishes and announces (directly or through an agent) the level of the relevant Index;

"Reference Month" means the calendar month for which the level of the relevant Index was reported, regardless of when this information is published or announced. If the period for which the Index level was reported is a period other than a month, the Reference Month will be the period for which the Index level was reported;

"Related Bond" means the bond specified in the relevant Final Terms, or if no bond is so specified, the Fallback Bond. If the Related Bond is "Fallback Bond", then for any Related Bond determination under these Conditions, the Calculation Agent shall use the Fallback Bond (as that is defined in this Condition 8(f) (*Inflation-Linked Notes - Definitions Applicable to Inflation-Linked Notes*)). If no bond is specified in the relevant Final Terms as the Related Bond and "Fallback Bond: Not applicable" is specified in the relevant Final Terms there will be no Related Bond. If a bond is selected as the Related Bond in the relevant Final Terms, and that bond redeems or matures before the relevant Maturity Date, unless "Fallback Bond: Not applicable" is specified in the relevant Final Terms, the Calculation Agent shall use the Fallback Bond for any Related Bond determination;

"Specified Interest Payment Date" means the date included in the relevant Final Terms;

"Substitute Index Level" means an Index level, determined by the Calculation Agent pursuant to the provisions of Condition 8(a) (*Inflation- Linked Notes – Delay of Publication*), in respect of an Affected Payment Date; and

"Successor Index" has the meaning specified in Condition 8(b) (*Inflation- Linked Notes – Cessation of Publication*).

9. **Dual Currency Note Provisions**

- (a) *Application:* This Condition 9 (*Dual Currency Note Provisions*) is applicable to the Notes only if the Dual Currency Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) *Rate of Interest:* If the rate or amount of interest falls to be determined by reference to an exchange rate, the rate or amount of interest payable shall be determined in the manner specified in the relevant Final Terms.

10. **Redemption and Purchase**

- (a) *Scheduled redemption:* Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 11 (*Payments*).
- (b) *Redemption for tax reasons:* The Notes may be redeemed at the option of the Issuer in whole, but not in part:
 - (i) at any time (if neither the Floating Rate Note Provisions, the Index-Linked Interest Note Provisions or the Inflation-Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable); or
 - (ii) on any Interest Payment Date (if the Floating Rate Note Provisions, the Index-Linked Interest Note Provisions or the Inflation-Linked Interest Note Provisions are specified in the relevant Final Terms as being applicable),
 - (iii) on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if:
 - (A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Spain or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes; and
 - (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided, however, that no such notice of redemption shall be given earlier than:

- (1) where the Notes may be redeemed at any time, 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due; or
- (2) where the Notes may be redeemed only on an Interest Payment Date, 60 days prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent (A) a certificate signed by two authorised representatives of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred of and (B) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. Upon the expiry of any such notice as is referred to in this Condition 10(b)

(*Redemption and Purchase - Redemption for tax reasons*), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(b) (*Redemption and Purchase - Redemption for tax reasons*).

- (c) *Redemption at the option of the Issuer:* If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than 15 nor more than 30 days' notice to the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).
- (d) *Partial redemption:* If the Notes are to be redeemed in part only on any date in accordance with Condition 10(c) (*Redemption and Purchase - Redemption at the option of the Issuer*), the Notes to be redeemed shall be selected by the drawing of lots in such place as the Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the notice to Noteholders referred to in Condition 10(c) (*Redemption and Purchase - Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.
- (e) *Redemption at the option of Noteholders:* If the Put Option is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 10(e) (*Redemption and Purchase - Redemption at the option of the Noteholder*), the holder of a Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put), deposit with any Paying Agent such Note together with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 10(e) (*Redemption and Purchase - Redemption at the option of the Noteholder*), may be withdrawn; *provided, however, that* if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 10(e) (*Redemption and Purchase - Redemption at the option of the Noteholder*), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.
- (f) *No other redemption:* The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) to (e) above.
- (g) *Purchase:* The Issuer may at any time purchase Notes in the open market or otherwise and at any price, provided that all unmatured Coupons are purchased therewith.
- (h) *Cancellation:* All Notes so redeemed or purchased by the Issuer and any unmatured Coupons attached to or surrendered with them shall be cancelled and may not be reissued or resold.

11. **Payments**

- (a) *Principal:* Payments of principal shall be made only against presentation and (provided that payment is made in full) surrender of Notes at the Specified Office of any Paying Agent outside

the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency.

- (b) *Interest:* Payments of interest shall, subject to paragraph (h) below, be made only against presentation and (provided that payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in paragraph (a) above.
 - (c) *Payments in New York City:* Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.
 - (d) *Payments subject to fiscal laws:* All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*). No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
 - (e) *Deductions for unmatured Coupons:* If the relevant Final Terms specifies that the Fixed Rate Note Provisions are applicable and a Note is presented without all unmatured Coupons relating thereto:
 - (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; *provided, however, that* if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;
 - (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
 - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment; *provided, however, that* where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
 - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; *provided, however, that*, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.
- Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) above against presentation and (provided that payment is made in full) surrender of the relevant missing Coupons.
- (f) *Unmatured Coupons void:* If the relevant Final Terms specifies that this Condition 11(f) (*Payments – Unmatured Coupons void*) is applicable or that the Floating Rate Note Provisions, Index-Linked Interest Note Provisions or Inflation-Linked Note Provisions are applicable, on the

due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 10(b) (*Redemption and Purchase - Redemption for tax reasons*), Condition 10(e) (*Redemption and Purchase - Redemption at the option of Noteholders*), Condition 10(c) (*Redemption at the option of the Issuer*) or Condition 13 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

- (g) *Payments on business days:* If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.
- (h) *Payments other than in respect of matured Coupons:* Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by paragraph (c) above).
- (i) *Partial payments:* If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.
- (j) *Exchange of Talons:* On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Fiscal Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 14 (*Prescription*)). Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

12. **Taxation**

- (a) *Gross up:* All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Spain or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:
 - (i) by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note or Coupon; or
 - (ii) where such withholding or deduction is imposed on a payment to an individual or a residual entity within the meaning of the European Council Directive 2003/48/EC and is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, this Directive; or
 - (iii) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the EU; or

- (iv) more than 30 days after the Relevant Date except to the extent that the holder of such Note or Coupon would have been entitled to such additional amounts on presenting such Note or Coupon for payment on the last day of such period of 30 days.
- (b) The Issuer undertakes to pay any non resident's income tax (*impuesto sobre la renta de no residentes*) and any penalty or extra charges related to such taxes, if any, that may be imposed on the Noteholders by or in the Kingdom of Spain as a consequence of their holding of any Notes and/or Coupons provided that the imposition of such taxes has been promptly notified to the Issuer by the relevant Noteholder as soon as reasonably practicable after the Noteholder becomes aware of the same. Upon request by the Issuer, the relevant Noteholder shall transfer to the Issuer all claims, rights, and actions that it may have against the relevant tax authorities in respect of any such non resident's income tax or any such penalty or extra charges that the Issuer has so paid.

13. **Events of Default**

If any of the following events occurs:

- (a) *Non-payment*: the Issuer fails to pay any amount of principal in respect of the Notes within 10 days of the due date for payment thereof, or fails to pay any amount of interest in respect of the Notes within 30 days of the due date for payment thereof; or
- (b) *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes issued in accordance with the Terms and Conditions and such default remains unremedied for 30 days after written notice thereof, addressed to the Issuer by any Noteholder, has been delivered to the Issuer or to the Specified Office of the Fiscal Agent; or
- (c) *Cross-default of Issuer*: the Issuer, within 30 days after the expiration of any applicable grace period, fails to fulfil an obligation to pay principal and/or interest in respect of, or is called upon to repay prematurely due to default, any other obligations arising from borrowed money having an initial maturity of more than one year and an aggregate principal amount of at least EUR 30,000,000 or its equivalent in other currencies, or if security granted therefor is enforced on behalf of or by creditors entitled thereto and such failure, default or enforcement is not caused by the fact that the Issuer is prevented, directly or indirectly, by the Spanish central government or any other Spanish central authority from fulfilling the relevant obligations in circumstances where the Issuer is solvent and otherwise able to satisfy any such obligations; or
- (d) *Failure to take action etc*: any action, condition or thing at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Notes, (ii) to ensure that those obligations are legal, valid, binding and enforceable and (iii) to make the Notes and the Coupons admissible in evidence in the courts of Spain is not taken, fulfilled or done; or
- (e) *Unlawfulness*: it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes; or
- (f) *Scheme of arrangement*: the Issuer offers to, or negotiates with, all of its creditors not enjoying any security or preference, a moratorium, a compromise or any other agreement resulting from payment difficulties;

then any Note may, by written notice addressed by the holder thereof to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent specifying the Event(s) of Default, be declared immediately due and payable, whereupon it shall become immediately due and payable at its Early Termination Amount together with accrued interest (if any) without further action or formality.

14. **Prescription**

Claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date.

15. Replacement of Notes and Coupons

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent (and, if the Notes are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Paying Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

16. Agents

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Paying Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Paying Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint a successor fiscal agent or Calculation Agent and additional or successor paying agents; *provided, however, that:*

- (a) the Issuer shall at all times maintain a Fiscal Agent; and
- (b) the Issuer shall at all times maintain a paying agent in an EU member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with or introduced in order to conform to, such Directive; and
- (c) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent; and
- (d) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system, the rules of which require the appointment of a Paying Agent in any particular place, the Issuer shall maintain a Paying Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system.

Notice of any change in any of the Paying Agents or in their Specified Offices shall promptly be given to the Noteholders.

17. Meetings of Noteholders; Modification and Waiver

- (a) *Meetings of Noteholders:* The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and shall be convened by the Issuer upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more Persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; *provided, however, that* Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

- (b) *Modification:* The Notes, these Conditions and the Deed of Covenant may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

18. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes.

19. **Notices**

Notices to the Noteholders shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) and, if the Notes are admitted to trading on the regulated market of the Luxembourg Stock Exchange and it is a requirement of applicable law or regulations, a leading newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort*) or published on the website of the Luxembourg Stock Exchange (www.bourse.lu) or in either case, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

20. **Currency Indemnity**

If any sum due from the Issuer in respect of the Notes or the Coupons or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

21. **Rounding**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

22. **Governing Law and Jurisdiction**

- (a) *Governing law:* The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by English law.
- (b) *English courts:* The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes (including a dispute relating to the existence, validity or termination of the Notes or **any** non-contractual obligation arising out of or in connection with the Notes) or the consequences of their nullity.
- (c) *Appropriate forum:* The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.
- (d) *Rights of the Noteholders to take proceedings outside England:* Condition 22(b) (*Governing Law and Jurisdiction - English courts*) is for the benefit of the Noteholders only. As a result, nothing in this Condition 22 (*Governing Law and Jurisdiction*) prevents any Noteholder from taking proceedings relating to a Dispute ("**Proceedings**") in any other courts with competent jurisdiction. To the extent allowed by law, Noteholders may take concurrent Proceedings in any number of jurisdictions.
- (e) *Process agent:* The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to Delegació del Govern de la Generalitat de Catalunya at Regne Unit, Fleet Street, 17, London, EC4Y 1AA, or, if different, its registered office for the time being or at any address of the Issuer in Great Britain. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer, the Issuer shall, on the written demand of any Noteholder addressed and delivered to the Issuer or to the Specified Office of the Fiscal Agent appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, any Noteholder shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law. This Condition applies to Proceedings in England and to Proceedings elsewhere.
- (f) *Consent to enforcement etc.:* Subject to all applicable laws and regulations and public policy rules and, in particular, to the provisions of the Legislative Decree 3/2002, of 24 December 2002, of the consolidated text of the Law of Public Finance of the Autonomous Community of Catalonia (*Decret Legislatiu 3/2002, de 24 de desembre, pel qual s'aprova el Text refós de la Llei de finances públiques de Catalunya*), the Legislative Decree 1/2002, of 24 December 2002, of the consolidated text of the Law of Wealth of the Generalitat de Catalunya (*Decret Legislatiu 1/2002, de 24 de desembre, pel qual s'aprova el Text refós de la Llei de Patrimoni de la Generalitat de Catalunya*), the Organic Law 8/1980, of 22 September 1980, of the Finance of the Autonomous Communities (*Ley Orgánica 8/1980, de 22 de septiembre de 1980, de financiación de las Comunidades Autónomas*), the budgetary laws and Article 12 of the Spanish Civil Code, the Issuer consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which is made or given in such Proceedings.
- (g) *Waiver of immunity:* Subject to all applicable laws and regulations and public policy rules and, in particular, to the provisions of the Legislative Decree 3/2002, of 24 December 2002, of the consolidated text of the Law of Public Finance of the Autonomous Community of Catalonia (*Decret Legislatiu 3/2002, de 24 de desembre, pel qual s'aprova el Text refós de la Llei de finances públiques de Catalunya*), the Legislative Decree 1/2002, of 24 December 2002, of the consolidated text of the Law of Wealth of the Generalitat de Catalunya (*Decret Legislatiu 1/2002, de 24 de desembre, pel qual s'aprova el Text refós de la Llei de Patrimoni de la Generalitat de Catalunya*), the Organic Law 8/1980, of 22 September 1980, of the Finance of the Autonomous Communities (*Ley Orgánica 8/1980, de 22 de septiembre de 1980, de financiación de las Comunidades Autónomas*), the budgetary laws and Article 12 of the Spanish Civil Code, to the extent that the Issuer may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or

other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or its assets or revenues, the Issuer agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

FORM OF FINAL TERMS

The Final Terms in respect of each Tranche of Notes will be substantially in the following form, duly supplemented (if necessary), amended (if necessary) and completed to reflect the particular terms of the relevant Notes and their issue. Text in this section appearing in italics does not form part of the form of the Final Terms but denotes directions for completing the Final Terms.

Final Terms dated [•]

GENERALITAT DE CATALUNYA
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the
EUR 9,000,000,000 Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the simplified base prospectus dated 20 December 2013 [and the supplemental simplified base prospectus dated [•]] which [together] constitute[s] a simplified base prospectus (the "**Simplified Base Prospectus**") for the purposes of the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities (*Loi relative aux prospectus pour valeurs mobilières*). This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with such Simplified Base Prospectus [as so supplemented].

Full information on the Issuer and the offer of the Notes described herein is only available on the basis of the combination of these Final Terms and the Simplified Base Prospectus [as so supplemented]. The Simplified Base Prospectus [and the supplemental Simplified Base Prospectus] [is] [are] available for viewing in electronic form on the website of the Issuer and [is] [are] available for viewing and obtainable in printed form free of charge during normal business hours at the offices of the Issuer and at the Specified Offices of each of the Paying Agents set out below.

[The following alternative language applies if the first tranche of an issue which is being increased was issued under a base prospectus with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the [•] Conditions (the "**Conditions**") incorporated by reference in the simplified base prospectus dated 20 December 2013. These Final Terms contain the final terms of the Notes and must be read in conjunction with the simplified base prospectus dated 20 December 2013 [and the supplemental simplified base prospectus dated [date]] which [together] constitute[s] a base prospectus (the "**Simplified Base Prospectus**") for the purposes of the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities (*Loi relative aux prospectus pour valeurs mobilières*), save in respect of the Conditions which are extracted from the base prospectus dated [•] and are incorporated by reference in the Simplified Base Prospectus.

Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Simplified Base Prospectus dated 20 December 2013 [and the supplemental Simplified Base Prospectuses dated [•] and [•]]. The Simplified Base Prospectus [and the supplemental Simplified Base Prospectus] are available for viewing in electronic form on the website of the Issuer and [is] [are] available for viewing and obtainable in printed form free of charge during normal business hours at the offices of the Issuer and at the Specified Offices of each of the Paying Agents set out below.

[Include whichever of the following apply or specify as "Not applicable" (N/A). Note that the numbering should remain as set out below, even if "Not applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.]

1. (i) Issuer: [•]
2. [(i) Series Number:] [•]
- [(ii) Tranche Number:] [•]

(If fungible with an existing Series, details of that Series,

including the date on which the Notes become fungible).]

3. Specified Currency or Currencies: [•]
4. Aggregate Nominal Amount: [•]
- (i) [Series]: [•]
- (ii) Tranche: [•]
5. Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)]
6. (i) Specified Denominations: [•]
- [No Notes may be issued which have a minimum denomination of less than EUR 1,000 (or nearly equivalent in another currency)]*
- In relation to any issue of Notes which have a denomination consisting of a Specified Denomination of EUR 100,000 plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of EUR 100,000 (or its equivalent) that are not integral multiples of EUR 100,000 (or its equivalent). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the Specified Denomination of EUR 100,000 may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to the Specified Denomination of EUR 100,000.]*
- (ii) Calculation Amount: [•]
7. (i) Issue Date: [•]
- (ii) Interest Commencement Date: [Specify/Issue Date/Not applicable]
8. Maturity Date: [Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]
- [If the Maturity Date is less than one year from the Issue Date and either (a) the issue proceeds are received by the Issuer in the United Kingdom, or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, (i) the Notes must have a minimum redemption value of GBP 100,000 (or its equivalent in other currencies) and be sold only to "professional investors" or (ii) another applicable exemption from section 19 of the FSMA must be*

available.]

9. Interest Basis: [[•] per cent. Fixed Rate]
[[Specify reference rate] +/- • per cent. Floating Rate]
[Index-Linked Interest]
[Inflation-Linked Interest]
[Other (Specify)]
(further particulars specified below)
10. Redemption/Payment Basis: [Redemption at par]
[Index-Linked Redemption]
[Inflation-Linked Redemption]
[Dual Currency]
[Partly Paid]
[Instalment]
[Other (Specify)]
11. Change of Interest or Redemption/Payment Basis: [Specify details of any provision for convertibility of Notes into another interest or redemption/ payment basis]
12. Put/Call Options: [Investor Put]
[Issuer Call]
[(further particulars specified below)]
13. [Date approval for issuance of Notes obtained: [[•] (N.B. Only relevant where authorisation is required for the particular tranche of Notes)]
14. Method of distribution: [Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **Fixed Rate Note Provisions** [Applicable/Not applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate[(s)] of Interest: [•] per cent. per annum [payable [annually/semi annually/quarterly/monthly/other (specify)] in arrear]
- (ii) Interest Payment Date(s): [•] in each year [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"/not adjusted]
- (iii) Fixed Coupon Amount[(s)]: [•] per Calculation Amount
- (iv) Broken Amount(s): [•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]
- (v) Day Count Fraction: [30/360 / Actual/Actual (ICMA/ISDA) / other]
- (vi) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not applicable/give details]
16. **Floating Rate Note Provisions** [Applicable/Not applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Specified Period: [•]
(Specified Period and Specified Interest Payment Dates are alternatives. A Specified Period, rather than Specified

Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not applicable")

- (ii) Specified Interest Payment Dates: [•]
(Specified Period and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not applicable")
- (iii) [First Interest Payment Date]: [•]
- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention/ other (give details)]
- (v) Additional Business Centre(s): [Not applicable/give details]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (give details)]
- (vii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Fiscal Agent): [[Name] shall be the Calculation Agent (no need to specify if the Fiscal Agent is to perform this function)]
- (viii) Screen Rate Determination:
- Reference Rate: [For example, LIBOR or EURIBOR]
 - Interest Determination Date(s): [•]
 - Relevant Screen Page [For example, Reuters LIBOR 01/ EURIBOR 01]
 - Relevant Time: [For example, 11.00 a.m. London time/Brussels time]
 - Relevant Financial Centre: [For example, London/Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro)]
- (ix) ISDA Determination:
- Floating Rate Option: [•]
 - Designated Maturity: [•]
 - Reset Date: [•]
- (x) Margin(s): [+/-][•] per cent. per annum
- (xi) Minimum Rate of Interest: [•] per cent. per annum
- (xii) Maximum Rate of Interest: [•] per cent. per annum
- (xiii) Day Count Fraction: [•]

- (xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [•]
17. **Index-Linked Interest Note/other variable-linked interest Note Provisions** [Applicable/Not applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Index/Formula/other variable: [give or annex details]
- (ii) Calculation Agent responsible for calculating the interest due: [•]
- (iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable: [•]
- (iv) Interest Determination Date(s): [•]
- (v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [•]
- (vi) Interest or calculation period(s): [•]
- (vii) Specified Period: [•]
(Specified Period and Specified Interest Payment Dates are alternatives. A Specified Period, rather than Specified Interest Payment Dates, will only be relevant if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention. Otherwise, insert "Not applicable")
- (viii) Specified Interest Payment Dates: [•]
(Specified Period and Specified Interest Payment Dates are alternatives. If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not applicable")
- (ix) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (x) Additional Business Centre(s) : [•]

- (xi) Minimum Rate/Amount of Interest: [•] per cent. per annum
- (xii) Maximum Rate/Amount of Interest: [•] per cent. per annum
- (xiii) Day Count Fraction: [•]
18. **Inflation-Linked Note Interest Provisions** [Applicable/Not applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Index: [•]
- (ii) Index Sponsor: [•]
- (iii) Party responsible for calculating the Rate(s) of interest and/or Interest Amount(s) (if not the Calculation Agent): [•]
- (iv) Provisions for determining Rate of Interest where calculated by reference to Index: [•]
- (v) Interest Determination Date(s): [•]
- (vi) Provisions for determining Rate of Interest where calculation by reference to Index is impossible or impracticable or otherwise disrupted: [•]
(Need to include a description of market disruption or settlement disruption events and adjustment provisions)
- (vii) Interest Period: [As set out in Condition 1] / *[Insert "Unadjusted" if the application of the relevant Business Day Convention is not intended to affect the Interest Period]*
- (viii) Specified Interest Payment Dates: [•]
- (ix) Business Day Convention: [Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other *(give details)*]
- (x) Additional Business Centre(s): [•]
- (xi) Day Count Fraction: [•]
- (xii) Minimum Rate/Amount of Interest: [•] per cent. per annum
- (xiii) Maximum Rate/Amount of Interest: [•] per cent. per annum
- (xiv) Other special terms and conditions: [•]

19. **Dual Currency Note Provisions** [Applicable/Not applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
 - (ii) Calculation Agent, if any, responsible for calculating the principal and/or interest due: [•]
 - (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [•]
 - (iv) Person at whose option Specified Currency(ies) is/are payable: [•]

PROVISIONS RELATING TO REDEMPTION

20. **Call Option** [Applicable/Not applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [•]
 - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•] per Calculation Amount
 - (iii) If redeemable in part:
 - (a) Minimum Redemption Amount: [•] per Calculation Amount
 - (b) Maximum Redemption Amount: [•] per Calculation Amount
 - (iv) Notice period: []
21. **Put Option** [Applicable/Not applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [•]
 - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•] per Calculation Amount

- (iii) Notice period: [•]
22. **Final Redemption Amount of each Note** [•] per Calculation Amount
- In cases where the Final Redemption Amount is Index-Linked or other variable-linked:
- (i) Index/Formula/variable: [*give or annex details*]
- (ii) Calculation Agent responsible for calculating the Final Redemption Amount: [•]
- (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [•]
- (iv) Date for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable: [•]
- (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [•]
- (vi) [Payment Date]: [•]
- (vii) Minimum Final Redemption Amount: [•] per Calculation Amount
- (viii) Maximum Final Redemption Amount: [•] per Calculation Amount
23. **Inflation-Linked Redemption Provisions** [Applicable/Not applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (i) Index/Indices: [•]
- (ii) Calculation Agent responsible for calculating the Final Redemption Amount: [•]
- (iii) Provisions for determining Final Redemption Amount: [•]
- (iv) Provisions for determining Final Redemption Amount where calculation by

reference to Index and/or other variable is impossible or impracticable or otherwise disrupted:

- (v) Related Bond: [•]/Fallback Bond]
- (vi) Fallback Bond: [Applicable/Not applicable]
- (vii) Index Sponsor: [•]
- (viii) Other special terms and conditions: [•]

24. **Early Redemption Amount** [Not applicable]

Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): *(If both the Early Redemption Amount (Tax) and the Early Termination Amount are the principal amount of the Notes/specify the Early Redemption Amount (Tax) and/or the Early Termination Amount if different from the principal amount of the Notes)*

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. **Form of Notes:**

Bearer Notes:

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [•] days' notice/ in the limited circumstances specified in the Permanent Global Note] *In relation to any Notes with a minimum Specified Denomination of EUR 100,000 plus a higher integral multiple of another smaller amount, note that "in the limited circumstances specified in the Permanent Global Note" should be selected.*

[Temporary Global Note exchangeable for Definitive Notes on [•] days' notice]. *If issuing in this form, note that Notes with a minimum Specified Denomination of EUR 100,000 plus a higher integral multiple of another smaller amount will not be permitted.*

[Permanent Global Note exchangeable for Definitive Notes on [•] days' notice /in the limited circumstances specified in the Permanent Global Note]. *In relation to any Notes with a minimum Specified Denomination of EUR 100,000 plus a higher integral multiple of another smaller amount, note that "in the limited circumstances specified in the Permanent Global Note" should be selected.*

26. New Global Note: [Yes] [No]

27. Additional Financial Centre(s) or other special provisions relating to payment dates: [Not applicable/give details. *Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub paragraphs 15(ii), 16(ii), 17(viii) and 18(viii) relate*]

28. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. *If yes, give details*]
29. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made [and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment]: [Not applicable/*give details*]
30. Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: [Not applicable/*give details*]
31. Other final terms: [Not applicable/*give details*]

DISTRIBUTION

32. (i) If syndicated, names and addresses of Managers and underwriting commitments: [Not applicable/*give names, addresses and underwriting commitments*]
(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)
- (ii) Date of [Subscription] Agreement: [•]
- (iii) Stabilising Manager(s) (if any): [Not applicable/*give name*]
33. If non-syndicated, name and address of Dealer: [Not applicable/*give name and address*]
34. Total commission and concession: [•] per cent. of the Aggregate Nominal Amount
35. U.S. Selling Restrictions: [Reg. S Compliance Category]
36. TEFRA [TEFRA C/TEFRA D/ TEFRA not applicable]
37. Additional selling restrictions: [Not applicable/*give details*]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the [regulated market of the Luxembourg Stock Exchange/other] of the Notes described herein pursuant to the EUR 9,000,000,000 Euro Medium Term Note Programme of Generalitat de Catalunya.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[] has been extracted from []. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of Generalitat de Catalunya:

By:
Duly authorised

PART B – OTHER INFORMATION

1. LISTING

- (i) Listing [Official list of the Luxembourg Stock Exchange/Other(*specify*)/Not applicable]
- (ii) Admission to trading [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the regulated market of the Luxembourg Stock Exchange/*other*] with effect from [•.] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the regulated market of the Luxembourg Stock Exchange/*other*] with effect from [•.]

(Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)

2. RATINGS

Ratings:

The Notes to be issued have been rated:

[Standard & Poor's Credit Market Services Europe Limited Sucursal en España: [•]]

[Moody's Investors Services España, S.A.: [•]]

[Fitch Ratings España, S.A. Unipersonal]: [•]]

[[Other]: []]

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

Standard & Poor's Credit Market Services Europe Limited Sucursal en España is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").

Moody's Investors Services España, S.A. is established in the EEA and registered under the CRA Regulation.

Fitch Ratings España, S.A. Unipersonal is established in the EEA and registered under the CRA Regulation.

[[•] []]

3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in ["Subscription and Sale"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

[(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement

to the Simplified Base Prospectus.))]

4. **REASONS FOR THE OFFER, ESTIMATE OF TOTAL EXPENSES RELATED TO THE ADMISSION TO TRADING**

Reasons for the offer: [•]

(See ["Use of Proceeds"] wording in Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)

Estimated net proceeds: [•]

(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds are insufficient to fund all proposed uses state amount and sources of other funding.)

Estimated total expenses related to the admission to trading: [•]

(Include breakdown of expenses.)

5. **[Fixed Rate Notes only – YIELD**

Indication of yield: [•]

Calculated as *[include details of method of calculation in summary form]* on the Issue Date.

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

6. **[Floating Rate Notes only - HISTORIC INTEREST RATES**

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters].]

7. **[Index-linked or other variable-linked notes only – PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

Need to include details of where past and future performance and volatility of the index/inflation formula/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident. Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information

(When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Simplified Base Prospectus.)

The Issuer [intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information].]

8. **[Dual Currency Notes only – PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

[(When completing this paragraph, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Simplified Base Prospectus.)]

9. OPERATIONAL INFORMATION

ISIN Code: [•]

Common Code: [•]

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): [Not applicable/give name(s) and number(s)]

Delivery: Delivery [against/free of] payment

Names and addresses of initial Paying Agent(s): [•]

Names and addresses of additional Paying Agent(s) (if any): [•]

Intended to be held in a manner which would allow Eurosystem eligibility: [Yes][No][Not applicable]
[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes may then be deposited with one of the ICSDs as common safekeeper, this does not necessarily mean that the Notes will then be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

10. TERMS AND CONDITIONS OF THE OFFER

Offer Price: [Issue Price][specify]

Conditions to which the offer is subject: [Not applicable/give details]

Description of the application process: [Not applicable/give details]

Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not applicable/ <i>give details</i>]
Details of the minimum and/or maximum amount of application:	[Not applicable/ <i>give details</i>]
Details of the method and time limits for paying up and delivering the Notes:	[Not applicable/ <i>give details</i>]
Manner in and date on which results of the offer are to be made public:	[Not applicable/ <i>give details</i>]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not applicable/ <i>give details</i>]
Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:	[Not applicable/ <i>give details</i>]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not applicable/ <i>give details</i>]
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	[Not applicable/ <i>give details</i>]
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.	[None/ <i>give details</i>]

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Clearing System Accountholders

Each Global Note will be in bearer form. Consequently, in relation to any Tranche of Notes represented by a Global Note, references in the Terms and Conditions of the Notes to "Noteholder" are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary, in the case of a CGN, or a common safekeeper, in the case of an NGN for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Note (each an "Accountholder") must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the Issuer to the bearer of such Global Note and in relation to all other rights arising under the Global Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by the Global Note, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Notes and such obligations of the Issuer will be discharged by payment to the bearer of the Global Note.

Exchange of Temporary Global Notes

Whenever any interest in a Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure:

- (a) in the case of first exchange, the prompt delivery (free of charge to the bearer) of such Permanent Global Note, duly authenticated and, in the case of an NGN, effectuated, to the bearer of the Temporary Global Note; or
- (b) in the case of any subsequent exchange, an increase in the principal amount of such Permanent Global Note in accordance with its terms,

in each case in an aggregate principal amount equal to the aggregate of the principal amounts specified in the certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and received by the Fiscal Agent against presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Fiscal Agent within 7 days of the bearer requesting such exchange.

Whenever a Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) a Permanent Global Note has not been delivered or the principal amount thereof increased by 5.00 p.m. (London time) on the seventh day after the bearer of a Temporary Global Note has requested exchange of an interest in the Temporary Global Note for an interest in a Permanent Global Note; or
- (b) Definitive Notes have not been delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer of a Temporary Global Note has requested exchange of the Temporary Global Note for Definitive Notes; or
- (c) a Temporary Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of a Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with

all accrued interest thereon has not been made to the bearer of the Temporary Global Note in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note (including the obligation to deliver a Permanent Global Note or increase the principal amount thereof or deliver Definitive Notes, as the case may be) will become void at 5.00 p.m. (London time) on such seventh day (in the case of (a) above) or at 5.00 p.m. (London time) on such thirtieth day (in the case of (b) above) or at 5.00 p.m. (London time) on such due date (in the case of (c) above) and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under the Deed of Covenant). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Temporary Global Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Temporary Global Note became void, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Exchange of Permanent Global Notes

Whenever a Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer of a Permanent Global Note has duly requested exchange of the Permanent Global Note for Definitive Notes; or
- (b) a Permanent Global Note (or any part of it) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Permanent Global Note in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Permanent Global Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Permanent Global Note became void, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Conditions applicable to Global Notes

Each Global Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Global Note. The following is a summary of certain of those provisions:

Payments: All payments in respect of the Global Note will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the Issuer shall procure that in respect of a CGN the payment is noted in a

schedule thereto and in respect of an NGN the payment is entered pro rata in the records of Euroclear and Clearstream, Luxembourg.

Payment Business Day: in the case of a Global Note, shall be: if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or, if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

Exercise of put option: In order to exercise the option contained in Condition 10(e) (*Redemption and Purchase - Redemption at the option of Noteholders*) the bearer of the Permanent Global Note must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Fiscal Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

Partial exercise of call option: In connection with an exercise of the option contained in Condition 10(c) (*Redemption and Purchase - Redemption at the option of the Issuer*) in relation to some only of the Notes, the Permanent Global Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

Notices: Notwithstanding Condition 19 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 19 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, except that, for so long as such Notes are admitted to trading on the regulated market of the Luxembourg Stock Exchange and it is a requirement of applicable law or regulations, such notices shall be published in a leading newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort*) or published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

DESCRIPTION OF GENERALITAT DE CATALUNYA

Introduction

Generalitat de Catalunya (the "**Issuer**") is the institutional system in which the self-government of the Autonomous Community of Catalonia ("**Catalonia**") is organised. The organisation of the nationalities and regions that forms the Kingdom of Spain ("**Spain**") in Autonomous Communities (*Comunidades Autónomas*) (the "**CCAA**") is recognised in the Spanish Constitution. Catalonia covers approximately 31,895 square kilometres or 6.3% of the total area of Spain, and is comprised of the four provinces of Barcelona, Girona, Lleida and Tarragona. Located in the north-east of the Iberian Peninsula, Catalonia is bordered to the north by France and Andorra, to the east by the Mediterranean Sea and to the west and south by the autonomous communities of Aragon and Valencia. The City of Barcelona, the second largest City in Spain, is the capital of Catalonia.

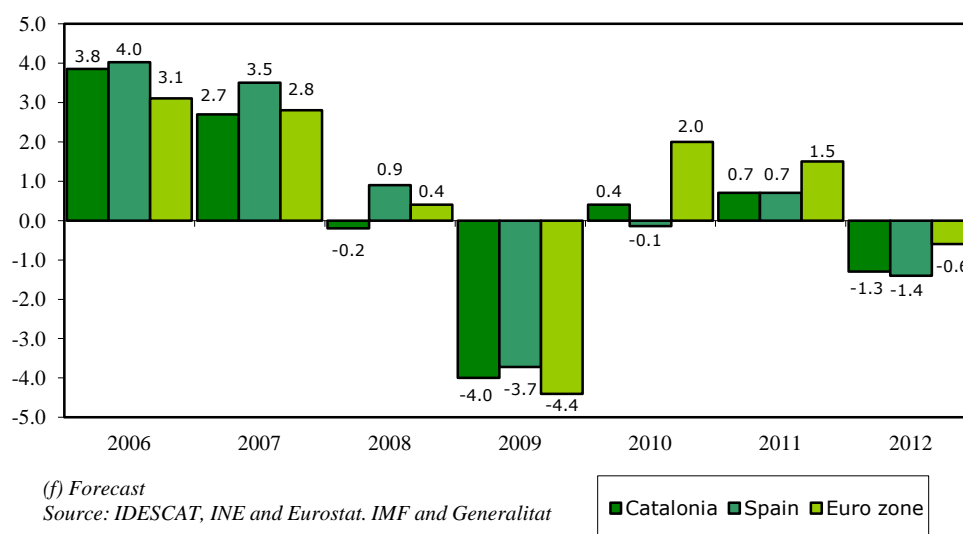
Catalonia, with more than 7.5 million citizens, representing 16.0% of the total population of Spain, is the second-largest Spanish Autonomous Community after Andalusia in terms of population.

The Issuer is subject, inter alia, to (i) the Statute of Autonomy of the Autonomous Community of Catalonia (*Estatut de Catalunya*), (ii) Law 13/2008, of November 5, on the Presidency of the Generalitat de Catalunya and of the Government (*Llei 13/2008, de 5 de novembre, de la presidència de la Generalitat i del Govern*), (iii) Legislative Decree 3/2002, of December 24, that approves the consolidated text of the Law of Public Finance (*Decret Legislatiu 3/2002, de 24 de desembre, pel qual s'aprova el text refós de la Llei de Finances públiques de Catalunya*), (iv) Legislative Decree 1/2002, of December 24, that approves the consolidated text of Law of Wealth of the Generalitat de Catalunya (*Decret Legislatiu 1/2002, de 24 de desembre, pel qual s'aprova el text refós de la llei de patrimoni de la Generalitat de Catalunya*), (v) the Budgetary Laws, and (vi) in the matters which are not covered by the aforementioned laws and regulations, as amended from time to time, or by other public laws and regulations, the general rules in Civil, Mercantile and Labour Law and the public policy rules.

The Catalan Economy

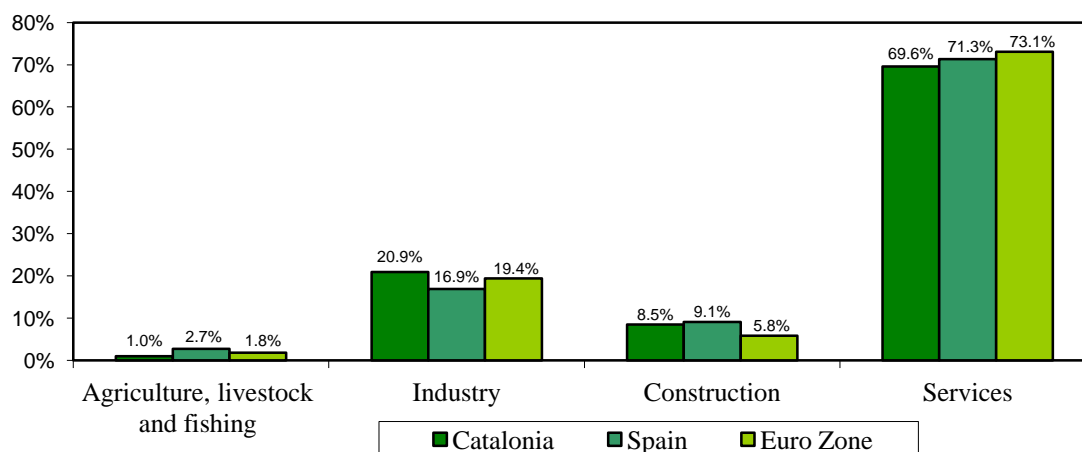
Since Spain's entry into the European Union, Catalan GDP has grown at a higher rate than in the Eurozone as a whole. As a result, average income in Catalonia is higher than the EU average. Notwithstanding this, the collapse of the real estate market and the international financial crisis have had an impact on the Catalan economy. After signs of improvement in the economy during 2010 and 2011, there was a decline in 2012 of 1.3% in Catalonia and 0.6% in the Eurozone as a whole. The recession has had a greater impact in the peripheral countries of the Eurozone, affected by a combination of a decreased tax revenue, a decline in economic activity and ongoing problems within the banking sector. Nevertheless, since the latter half of 2012, there has been a reduction in financial instability due to the implementation and enforcement by member states of certain European Union policies designed to restore the health of the Eurozone countries in particular.

Economic growth at constant prices (Interannual rate of GDP variation)



Catalonia's economy is based mainly on a diversified service sector, which accounted for 69.6% of production in the territory in 2012, in which commercial, hotel and repair activities, business services and health, educational and public administration activities represent the largest proportion of employment and production in the sector. We can also highlight the role of tourism, one of the most important sub-activities in the Catalan economy. Moreover, Catalonia has traditionally had a powerful industrial base. The different industrial sectors accounted for 20.9 % of production in the territory in 2012 (compared to 19.4% in the Eurozone and 16.9% in Spain as a whole).

Composition of GVA by sector. 2012



Source: IDESCAT and INE (base 2000). Eurostat

Institutional structure and powers

The autonomous political institutions of Catalonia, collectively referred to as the Generalitat de Catalunya (the "**Generalitat**"), consist of, inter alia, the Parliament, the Presidency of the Generalitat and the Government. The relationship between the Generalitat and the central government of Spain is defined in the Spanish Constitution and the Catalan Statute of Autonomy which ensures considerable autonomy for Catalonia and its political institutions. The Generalitat has authority over important areas such as education, health, social welfare, the environment, industry, consumer affairs and employment policy, Catalan civil law, culture, regional and town planning, foundations and associations, amongst many others.

These activities are carried out not only by the institutions mentioned previously, but also by public bodies subject to private law and businesses created within the autonomous administration, as the Administration of the Generalitat consists of (see Appendix 1):

- An administrative public sector formed by the departments and entities of the Generalitat, the administrative autonomous entities, the management bodies of the Social Security and Catalan Health Service.
- A commercial public sector that includes the industrial, commercial or similar autonomous entities, and the Generalitat's public corporations, which include public bodies, mercantile companies, consortia and foundations (as listed at Appendix 1, below).

The Statute of Autonomy of Catalonia declares that the Generalitat has sufficient resources and financial autonomy to exercise self-governance.

The Generalitat has full autonomy of expenditure in order to freely assign its resources according to the political and social directives determined by its self-governing institutions.

The resources of the Generalitat are composed of income from taxation, resources assigned from Spain's general budget and, inter alia, the outcome of debt issue and credit transactions.

Budgetary Process

An income and expenditure budget (the "**Budget**") is passed annually for the Issuer. Once the Budget has been approved by Executive Council, it is presented for debate to the Parliament of Catalonia, where changes and modifications are made before the Budget reaches final approval, upon which it becomes law.

The legal framework governing the Issuer's Budget is principally established by the Law of Public Finance of Catalonia and the Annual Budget Law of the Generalitat. Additionally, the financing of regional governments is governed, besides the Spanish Constitution and the Statute of Autonomy of Catalonia, by the Spanish Law for the Organisation and Financing of the Autonomous Communities ("**LOFCA**") and the Spanish Law on Budgetary Stability.

The final Budget for any calendar year cannot be concluded until the actual values are known, and incomes and payments have in fact taken place. The revenue and expense items not liquidated during the current year are carried forward to the following year.

Budget Analysis

The funding system of the CCAA is a continuation of the gradual devolution that has occurred over previous years and put a larger range of revenue instruments at the disposal of the CCAA. 97% of the Generalitat's non-financial resources are linked to the financing model and can be grouped into the following three broad types:

- Income from taxation obtained from taxes transferred –totally or partially- from the Spanish State. In 2010 these resources in the liquidated Budget accounted for 59.1%¹ of the Generalitat's non-financial income in the financial year. Within this, income tax and VAT accounted for 25.6% and 11.4% of non-financial income respectively. The Generalitat has legislative capacity over both its own taxes and those transferred to it.
- The transfer from the guarantee fund of essential public services with the objective of ensuring that each autonomous community receives the same resources per unit needed to finance the essential public services of the welfare state (education, health and other essential social services). The guarantee fund is endowed with 75% of the tax resources of the autonomous communities and the resources contributed by the state, and is distributed in accordance with the adjusted population.

¹ Without considering the transfers made by the Spanish state to finance Catalan local authorities, as the Generalitat only acts as the paying bank.

- The "adjustment funds" which include the Overall Sufficiency Fund and the Convergence Fund made up of the Competitiveness Fund and the Cooperation Fund.

Finally, the majority of non-financial income not linked to the financing model (13% of the total) corresponds mainly to capital transfers from the Spanish state and European funds.

Liquidation of Generalitat's budgeted income. Resources linked to financing system

Taxes liquidated (Million euro)

	2011	2012	Difference 2012/2011	
			Total	%
Income from taxes				
Income tax- autonomous govt. Share ¹	8,056	9,441	1,385	17.2
Inheritance and gifts tax.....	398	395	-3	-0.7
Wealth tax.....	13	305	292	2,249.9
Property transfers and DLA.....	1,232	1,091	-140	-11.4
- Property transfers.....	769	711	-58	-7.6
- Documented legal acts.....	448	365	-83	-18.5
- Corporate operations.....	15	15	1	5.0
50% VAT.....	4,539	6,502	1,964	43.3
58% special tax on tobacco.....	954	784	-170	-17.8
58% special tax on alcohol.....	122	113	-9	-7.7
58% special tax on hydrocarbons.....	997	911	-86	-8.6
Special tax on energy.....	279	270	-9	-3.4
Settlements special taxes.....	0	505	505	--
Special tax on means of transport.....	100	72	-27	-27.2
Tax on retail sales of hydrocarbons.....	265	308	44	16.5
Gaming taxes.....	268	228	-40	-14.9
Income from transfers				
Fund of Global Sufficiency.....	1,840	1,753	-87	-4.7
Garanty Fund of the Fundamental Public Services (GFFPS).....	-1,460	-939	521	-35.7
Specific funds for Health.....	76	93	17	22.2
Settlements GFFPS and the competitiveness fund.....	0	1,268	1,268	--
Rest of transferances ²	-58	-5,149	-5,091	--
TOTAL FINANCING SYSTEM	17,620	17,951	331	1.9
TOTAL NON- FINANCIAL INCOME ³	19,641	20,138	497	2.5

¹ Settlements pending from previous financial years are included.

² Includes the settlement of the sufficiency fund (old model), the repayment of the advanced funds and the extension from 5 to 10 years of the period to return the negative settlement of 2008 and 2009.

³ Does not include the transfer from the State for the financing of local bodies.

Source: Generalitat of Catalonia. Department of Economy and Knowledge.

In 2012, the total income of the Generalitat of Catalonia's administrative public sector was €35,660 million, a 1.87% increase over the liquidated income of the previous year.

The revenues, which finance the Issuer, are divided into nine chapters in the 2012 Liquidated Budget:

Administrative public sector of the Generalitat de Catalunya

(Liquidated budgets in million euro)

INCOME	2008	2009	2010	2011	2012	% Var. 2011-2012
Ch. I Direct taxes.....	7,494.62	8,128.87	6,158.46	8,482.12	10,156.01	19.73%
Ch. II Indirect taxes.....	8,084.33	6,800.43	5,991.68	8,486.26	10,556.52	24.40%
Ch. III Taxes and other income.....	748.92	766.21	827.45	808.81	800.62	-1.01%
Ch. IV Current transfers.....	7,927.22	10,624.14	9,917.06	4,153.50	589.53	-85.81%
Ch. V Income from assets.....	18.29	28.85	15.22	9.86	642.40	6412.50%
Current income	24,273.38	26,348.50	22,909.89	21,940.55	22,745.09	3.67%
Ch. VI Disposal of property investment.....	2.45	0.13	0.25	0.42	20.26	4713.75%
Ch. VII Capital transfers.....	894.53	1,192.58	1,252.06	773.26	549.04	-29.00%

INCOME	2008	2009	2010	2011	2012	% Var. 2011-2012
Capital income	896.98	1,192.71	1,252.31	773.68	569.29	-26.42%
Non-financial income	25,170.37	27,541.21	24,162.19	22,714.23	23,314.39	2.64%
Ch. VIII Financial assets	1.84	29.12	5.18	24.37	71.81	194.70%
Ch. IX Financial liabilities	4,288.84	5,437.11	9,735.04	12,266.01	12,274.12	0.07%
Income from financial operations	4,290.68	5,466.23	9,740.22	12,290.38	12,345.93	0.45%
Total income	29,461.05	33,007.44	33,902.43	35,004.61	35,660.32	1.87%

Source: Generalitat of Catalonia. Department of Economy and Knowledge

Expenditure

The main items of expense are:

Administrative public sector of the Generalitat de Catalunya (Liquidated budgets in million euro)

EXPENDITURE	2008	2009	2010	2011	2012	% Var.
Ch. I Personnel expenses	7,199.80	7,709.46	7,589.61	7,234.82	6,556.95	-9.37%
Ch. II Purchase of goods and services	6,910.41	9,064.38	7,659.06	7,465.45	7,237.69	-3.05%
Ch. III Financial costs	697.11	797.00	919.18	1,479.20	1,743.15	17.84%
Ch. IV Current transfers	10,313.41	11,840.92	10,533.93	10,848.04	9,625.02	-11.27%
Current expenses	25,120.74	29,411.76	26,701.80	27,027.51	25,162.81	-6.90%
Ch. VI Property investment	1,565.19	1,386.67	1,173.06	902.54	717.22	-20.53%
Ch. VII Capital transfers	1,624.87	1,712.13	1,533.49	1,544.73	1,030.33	-33.30%
Capital expenses	3,190.06	3,098.80	2,706.56	2,447.27	1,747.55	-28.59%
Non-financial expenses	28,310.80	32,510.56	29,408.36	29,474.78	26,910.36	-8.70%
Ch. VIII Financial assets	1,832.84	1,267.55	1,389.11	988.80	1,334.00	34.91%
Ch. IX Financial liabilities	586.98	1,361.67	1,794.85	4,825.11	6,123.08	26.90%
Expenses for financial operations	2,419.82	2,629.22	3,183.96	5,813.92	7,457.08	28.26%
Total expenses	30,730.62	35,139.78	32,592.32	35,288.70	34,367.44	-2.61%

Source: Generalitat of Catalonia. Department of Economy and Knowledge

Catalan Parliament elections were held on 25 November 2012 and the newly elected Catalan Government made the decision to extend the 2012 Budget Law which was in force into 2013. The deficit target allocated by the Central Government in Madrid to Generalitat de Catalunya was then only announced definitively on 31 July 2013. As there were only 5 months remaining until the end of the year, the Catalan Government made the decision to extend the 2012 Budget Law until the end of 2013 and instead focus negotiations on the new 2014 Budget Law which was presented by the Catalan Government on 5 November 2014.

Consolidated results for the financial year

Since the 2003 financial year the Generalitat has presented its results in terms of national accounting in line with the principles of the General Law of Budgetary Stability and in accordance with the European System of Accounts (ESA-95).

Summary table

(Amounts in millions of euro)

Concepts	2008	2009	2010	2011	2012
Accounting result ^a (1)	-3,135	-4,971	-5,237	-6,760	-3,596
ESA Adjustments (without variation displaced Health expenditure) ^b (2)	-1,467	-1,586	-1,907	-1,697	-677
Increase/reduction displaced Health expenditure ^b (3)	670	-1,851	1,208	-470	580
Result according to ESA^b (4)=(1+2-3)	-5,272	-4,706	-8,352	-7,987	-4,853
Increase/reduction credit incorporations (5)	-39	-12	27	-293	31

Concepts	2008	2009	2010	2011	2012
Non-financial result (6)=(4-5)	-5,233	-4,694	-8,379	-7,694	-4,884
% GDP Catalonia.....	2.60%	2.41%	4.22%	3.99%	-2.17%
Health (creditors pending)	1,850	-	853	727	1,142
Generalitat and Autonomous Entities (creditors pending).....	-	-	355	11	176
Incorporations remaining	623	611	638	345	376
Total displaced expenditure	2,473	611	1,846	1,083	1,694

* Provisional details

^a Administrative public sector (Includes General Administration of the Generalitat, Catalan Health Service, management bodies of the Social Security and autonomous administrative bodies).

^b Starting from 2007 the variation in the "Creditors pending application to the Budget" Health account, in application of the European regulation, is considered an ESA adjustment.

^c Expense accrued in one financial year the budgetary recognition of which occurs in the following year.

Source: Generalitat of Catalonia. Department of Economy and Knowledge

The new financing mechanisms

The current economic situation in Spain has meant that restrictions have been made to the financing of the Autonomous Communities within the financial markets, which has led to an accumulation of trade debts. The Official Credit Institute (ICO), has set up a financing mechanism in order to help provide access to finance to the Autonomous Communities at a market interest rate, assisting the Autonomous Communities in Spain in meeting their financing obligations when they become due. From April to July 2012, the Generalitat de Catalunya entered into five loan agreements with an outstanding balance amounting to approximately €1,304,000,000 as at 31 December 2012.

In addition, the Agreement 6/2012, of March 6 2012, passed by the Fiscal and Financial Policy Board (an organisation within the Spanish Tax and Public Authorities Ministry), established a financing mechanism which assisted the Autonomous Communities in meeting payment obligations for debt originated prior to 1 January 2012 in relation to suppliers, so that companies supplying goods and services to the Autonomous Communities could avoid any deterioration in liquidity. This mechanism was arranged by means of the creation of the supplier payment fund, in which the Generalitat de Catalunya participated through entry into eleven loan facilities on 26 June 2012, amounting to €2,020,000,000 with a ten-year maturity period and a two-year waiting period. On 31 August 2013 the Generalitat participated in phase 2 of this financing mechanism with the entry into three more loan facilities for a sum of €738,000,000 on the same terms.

Thirdly, in order to meet its financial needs, the Generalitat de Catalunya has also participated in the new financing mechanism created in order to provide liquidity support to the Autonomous Communities, by the Royal Decree Law 21/2012, of 13 July 2012, on measures for the liquidity of the public authorities and in the financial arena. The financing obtained through the FLA (Fondo de Liquidez Autonómica) amounted to a total of €6,665,000,000, in the form of a loan facility drawn on 5 October 2012 in order to meet the public deficit and part of the payment obligations under securities and loans with a 2012 maturity.

As at 31 December 2012, the Generalitat de Catalunya had a total of €9,989,000,000 of outstanding debt obtained from the aforementioned new liquidity mechanisms. Over the ten month period ending 31 October 2013, the Generalitat de Catalunya has received an additional €7,970,000,000 from these financing mechanisms.

Social and Economic Indicators

	Catalonia	Spain	% Total
Surface Area (km ²)	32,113.0	505,990	6.3
Population (thousands, at 1-1-2013)	7,547	47,060	16.0
Working age population (2012)	6,010	38,429	15.6
Employed population (2012).....	2,889	17,282	16.7
Unemployed population (2012)	846	5,769	14.7
Unemployment rate (2012)	22.6	25.0	-
Gross Domestic Product (GDP) (EUR Millions) (2012).....	198,633	1,051,204	18.9
Agriculture & Fishing	2,485	26,019	9.6
Industry & Energy	38,195	163,331	23.4

	<u>Catalonia</u>	<u>Spain</u>	<u>% Total</u>
Construction.....	14,053	87,719	16.0
Services.....	127,499	687,336	18.5
GDP per capita (EUR/inhab, thousands) (2012)	27,248	22,772	119.7

Source: INE

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Working age population. Catalunya.....	6,010.8	6,077.7	6,075.5	6,073.2	6,052.1
Working age population. Espanya	37,662.9	38,207.9	38,431.6	38,479.1	38,497.3
Employed population Cat.....	3,510.6	3,494.6	3,188.9	3,137.5	3,079.6
Employed population Esp	20,356.0	20,257.6	18,888.0	18,456.5	18,104.6
Unemployed population Cat	246.0	345.8	618.7	677.1	734.0
Unemployed population Esp.....	1,833.9	2,590.6	4,149.5	4,632.4	4,999.0

Appendix 1. Generalitat de Catalunya Companies and Organisations 2010

Autonomous Administrative Organisms

Agència Catalana del Consum	(Catalan Agency of Consumer Affairs)
Autoritat Catalana de la Competència	(Tribunal for the Defence of Competition)
Biblioteca de Catalunya	(Library of Catalonia)
Centre Estudis Jurídics i Formació Especialitzada	(Centre for Legal Studies and Specialist Training)
Centre d'Estudis d'Opinió	(Centre for Opinion Polls)
Consell Català de l'Esport	(Catalan Sports Council)
Escola d'Administració Pública de Catalunya	(School of Public Administration of Catalonia)
Institució de les Lletres Catalanes	(Institution of Catalan Letters)
Institut Català d'Avaluacions Mèdiques	(Catalan Institute for Medical Assessments)
Institut Català de la Vinya i el Vi	(Catalan Institute of the Vine and Wine)
Institut Català de l'Adopció	(Catalan Institute for Adoption)
Institut Català de les Dones	(Catalan Institute for Women)
Institut de Seguretat Pública de Catalunya	(Institute for Public Security of Catalonia)
Institut d'Estadística de Catalunya	(Institute of Statistics of Catalonia)
Institut d'Estudis de la Salut	(Institute of Health Studies)
Institut Nacional d'Educació Física de Catalunya	(National Physical Education Institute of Catalonia)
I. Desenvolupament Comarques de l'Ebre	(Institute for the Development of the Ebro Counties)
I. Desenvolupament i Promoció Alt Pirineu i Aran	(Institute for the Development and Promotion of Alt Pirineu and Aran)
Museu de la Ciència i de la Tècnica de Catalunya	(Museum of Science and Technology of Catalonia)
Museus d'Arqueologia	(Museum of Archaeology)

Patronat de la Muntanya de Montserrat	(Montserrat Mountain Trust)
Servei Català del Trànsit	(Catalan Traffic Service)
Servei d'Ocupació de Catalunya	(Catalan Employment Service)

Industrial, Commercial or Similar Autonomous Organisms

Agència Catalana de Certificació	(Catalan Certification Agency)
Entitat Autònoma de Jocs i Apostes	(Generalitat Betting and Gaming)
EA Diari Oficial i de Publicacions de la Generalitat	(Official Journal and Publications of the Generalitat)

Social Security Bodies and Management Companies

Institut Català d'Assistència i Serveis Socials	(Catalan Institute of Social Assistance and Services)
Institut Català de la Salut	(Catalan Institute of Health and Social Security)
Servei Català de la Salut	(Catalan Health Service)

Public corporations

Agència Catalana de Cooperació al Desenvolupament	(Catalan Agency for Development Cooperation)
Agència Catalana de l'Aigua	(Catalana Water Agency)
Agència Catalana de la Joventut	(Catalan Youth Agency)
Agència Catalana de Turisme	(Catalan Tourism Agency)
Agència de Gestió Ajuts Universitaris i de Recerca	(University and Research Grants Management Agency)
Agència de l'Habitatge de Catalunya	(Catalan Housing Agency)
Agència de Residus de Catalunya	(Catalan Waste Agency)
Agència de Salut Pública de Catalunya	(Catalan Public Health Agency)
Agència de Suport a l'Empresa Catalana	(Agency for Support of Catalan Companies)
Agència d'Informació, Avaluació i Qualitat en Salut	(Agency for Health Information, Assessment and Quality)
Agència Qualitat Sistema Universitari de Catalunya	(Agency for Quality Assurance in the Catalan University System)
Agència Tributària de Catalunya	(Catalan Tax Agency)
Aigües Ter-Llobregat	(Ter-Llobregat Water)
Autoritat Catalana de Protecció de Dades	(Catalan Data Protection Authority)

Banc de Sang i Teixits	(Blood and Tissue Bank)
Centre d'Alt Rendiment Esportiu	(Centre for Sporting Excellence)
Centre d'Atenció i Gestió de Trucades d'Urgència 112 Catalunya	(112 Catalonia Emergency Call Answering and Management Centre)
Centre de la Propietat Forestal	(Centre for Forestry Property)
Centre de Telecomunicacions i Tecnologies de la Informació	(Telecommunication and Information Technology Centre)
Centre d'Iniciatives per a la Reinserció	(Centre for Reinsertion Initiatives)
Consell Català de la Producció Agrària Ecològica	(Catalan Council for Organic Agricultural Production)
Consell Català de la Producció Integrada	(Catalan Council for Integrated Production)
Consell de l'Audiovisual de Catalunya	(Audiovisual Council of Catalonia)
Consell Nacional de la Cultura i de les Arts	(National Culture and Arts Council)
Consell Nacional de la Joventut de Catalunya	(National Youth Council)
Corporació Catalana de Mitjans Audiovisuals	(Catalan Audiovisual Media Corporation)
Ferrocarrils de la Generalitat de Catalunya	(Generalitat of Catalonia Railways)
Gestió de Serveis Sanitaris	(Health Service Management)
Gestió i Prestació de Serveis de Salut	(Health Service Management and Provision)
Infraestructures Ferroviàries de Catalunya	(Railway Infrastructure of Catalonia)
Institut Cartogràfic de Catalunya	(Cartographic Institute of Catalonia)
Institut Català de Finances	(Catalan Finance Institute)
Institut Català del Sòl	(Catalan Land Institute)
Institut Català d'Energia	(Catalan Energy Institute)
Institut Català de les Indústries Culturals	(Catalan Institute of Cultural Industries)
Institut Català d'Oncologia	(Catalan Institute of Oncology)
Institut Català Internacional per la Pau	(Catalan International Institute for Peace)
Institut d'Assistència Sanitària	(Institute of Health Assistance)
Institut de Diagnòstic per la Imatge	(Institute of Image Diagnosis)
Institut de Recerca i Tecnologies Agroalimentàries	(Agri-Food Research and Technologies Institute)
Institut d'Investigació Aplicada de l'Automòbil	(Institute for Applied Automobile Research)
Institut Geològic de Catalunya	(Geological Institute of Catalonia)
Laboratori General d'Assaigs i Investigacions	(General Testing and Research Laboratory)
Memorial Democràtic	(Democratic Memorial)

Parc Sanitari Pere Virgili	(Pere Virgili Health Park)
Ports de la Generalitat	(Generalitat Ports)
Servei Metereològic de Catalunya	(Catalan Meteorological Service)
Trading companies	
Aeroports Públics de Catalunya, SLU	(Public Airports of Catalonia)
Aura Salut Pública i Serveis Sociosanitaris, SL	(Aura Public Health and Healthcare Services, SL)
Autometro, SA	(Autometro, SA)
Barnaclínic, SA	(Barnaclínic, SA)
Cargometro Rail Transport, SA	(Cargometro Rail Transport, SA)
Catalunya Ràdio SRG, SA	Catalunya Ràdio SRG, SA
Centrals i Infraestructures per a la Mobilitat i les Activitats Logístiques, SA	(Centres and Infrastructures for Mobility and Logistic Activities)
Circuit de Motocròs de Catalunya, SL	(Catalonia Motocross Circuit, SL)
Circuits de Catalunya, SL	(Catalonia Circuits, SL)
Consorti de Prevenció i Salut Terrassa, SL	(Terrassa Prevention and Health Consortium, SL)
Coordinació Logística Sanitària, AIE	(Health Logistics Coordination, AIE)
Ecoparc de Residus Industrials, SA	(Industrial Waste Ecoparc, SA)
Editorial UOC, SL	(UOC Publisher, SL)
Eficiència Energètica, SA	(Energy Efficiency, Inc.)
Empresa de Promoció i Localització Industrial de Catalunya, SA	(Industrial Promotion and Location Company of Catalonia, Inc.)
Equacat, SA	(EQUACAT, Inc.)
Equipaments i Edificis de Catalunya, SA	(Catalan Equipment and Buildings, Inc.)
Eureca Media, SL	(Eureca Media, SL)
FGC Mobilitat, SA	(FGC Mobility, Inc.)
Fira 2000, SA	(Fair 2000, Inc.)
For Tissues and Cells	(For Tissues and Cells)
Forestal Catalana, SA	(Catalan Forestry, Inc.)
Geocat, Gestió de Projectes, SA	(Geocat, Project Management, SA)
Gestió de Màrqueting i Serveis de les Comarques Gironines, SLU	(Management of Marketing and Services of the Regions of Girona, SLU)
Gestió d'Infraestructures, SAU	(Infrastructure Management, Inc.)
Gestió de Màrqueting i Serveis de les Comarques	(Management of Marketing and Services of the

Gironines, SLU	Regions of Girona, SLU)
Grup UOC, SL	(UOC Group, SL
Institut Català de Finances Capital, SGEGR, SAU	(Catalan Finance Institute Capital, SGEGR, SAU)
ICF Holding, SAU	(ICF Holding, Inc.)
Instruments Financers per a Empreses Innovadores, SAU	(Financial Instruments for Innovative Companies, SLU)
Intracatalònia, SA	(Intracatalònia, SA)
Logaritme Serveis Logístics, AIE	(Logaritme Logistic Services, AIE)
Promotora d'Exportacions Catalanes, SA	(Catalan Export Promoter, Inc.)
Reg Sistema Segarra-Garrigues, SAU	(Segarra-Garrigues Irrigation System, Inc.)
Regs de Catalunya, SAU	(Catalonia Irrigation, Inc.)
Sabadell Gent Gran Centre de Serveis, SA	(Sabadell Elderly Services Centre, SA)
Sanejament Energia, SA	(Sanitation and Energy, Inc.)
Sistema d'Emergències Mèdiques, SA	(Medical Emergency System, Inc.)
Societat Catalana d'Inversió en Empreses de Base Tecnològica, SA	(Catalan Society for Investment in Technology-Based Companies)
Societat d'Estiba dels Ports Catalans, SA	(Catalan Ports Stowage Company, SA)
TABASA, Infraestructures i Serveis de Mobilitat, S.A.	(Barcelona Tunnels and Accesses, Infraestructures and Mobility Services, Inc.)
Teatre Nacional de Catalunya, SA	(National Theatre of Catalonia, Inc.)
Televisió de Catalunya, SA	Televisió de Catalunya, SA
Terminal Intermodal de l'Empordà, SL	(Intermodal Terminal of Empordà, SL)
Túnel del Cadí, SAC	(CESA Cadi Tunnel Operating Company)
TVC Edicions i Publicacions, SA	TVC Edicions i Publicacions, SA
TVC Multimèdia, SL	TVC Multimèdia, SL
UDIAT, Centre Diagnòstic, SA	(UDIAT, Diagnostic centre)

Consortia

Agrupació Europea de Cooperació Territorial Hospital de la Cerdanya	(European Group for Territorial Cooperation Cerdanya Hospital)
Consorti Administració Oberta Electrònica Catalunya	(Open Electronic Admin. Catalonia)
Consorti Biopol de l'Hospitalet de Llobregat	(Consortium Biopol of l'Hospitalet de Llobregat)
Consorti Casa de les Llengües	(Language Centre Consortium)

Consorci Catalan Films & TV	(Catalan Films & TV Consortium)
Consorci Centre de Recerca Ecològica i Aplicacions Forestals	(Centre for Ecological Research and Forestry Applications Consortium)
Consorci Centre de Recerca Matemàtica	(Centre for Mathematical Research Consortium)
Consorci Centre de Visió per Computador	(Centre for Computer Vision Consortium)
Consorci Centre d'Estudis per a la Innovació del Transport (CENIT)	(Centre for Transport Innovation Studies Consortium)
Consorci Centre Internacional de Mètodes Numèrics a l'Enginyeria	(International Centre for Numerical Methods in Engineering Consortium)
Consorci Centre Recerca en Economia Internacional	(Centre for Research in International Economics)
Consorci d'Atenció Primària de Salut de l'Eixample	(Primary Healthcare of the Eixample)
Consorci de Castelldefels Agents de Salut	(Castelldefels Health Agents)
Consorci de Comerç, Artesania i Moda de Catalunya	(Commerce, Crafts and Fashion of Catalonia Consortium)
Consorci de Gestió Corporació Sanitària	(Health Corporation Management Consortium)
Consorci de l'Autoritat del Transport Metropolità	(Metropolitan Transport Authority)
Consorci de l'Habitatge de Barcelona	(Housing Consortium of Barcelona)
Consorci de l'Habitatge de l'Àrea Metropolitana de Barcelona	(Housing Consortium of Barcelona Metropolitan Area)
Consorci de l'Observatori del Paissatge	(Landscape Observatory Consortium)
Consorci de Serveis Socials de Barcelona	(Social Services of Barcelona Consortium)
Consorci d'Educació de Barcelona	(Barcelona Education Consortium)
Consorci del Centre de Terminologia TERMCAT	(TERMCAT Terminology Centre Consortium)
Consorci del Circuit de Catalunya	(Circuit of Catalonia)
Consorci del Circuit de Motocròs de Catalunya	(Catalonia Motocross Circuit Consortium)
Consorci del Laboratori Intercomarcal de l'Alt Penedès, l'Anoia i el Garraf	(Inter-regional Laboratory of Alt Penedès, Anoia and Garraf)
Consorci del Montsec	(Montsec Consortium)
Consorci del Museu Memorial de l'Exili	(Exile Memorial Museum Consortium)
Consorci del Parc de l'Espai d'Interès Natural de Gallecs	(Gallecs Natural Interest Space Park Consortium)
Consorci del Teatre Fortuny de Reus	(Fortuny Theatre of Reus)
Consorci del Transport Públic de l'Àrea de Girona	(Girona Area Public Transport Consortium)
Consorci del Transport Públic del Camp de Tarragona	(Camp de Tarragona Public Transport Consortium)

Consorci del Transport Públic del l'Àrea de Lleida	(Lleida Area Public Transport Consortium)
Consorci Hospitalari de Vic	(Vic Hospital Consortium)
Consorci Infraestructures de Telecomunicacions de Catalunya-ITCat	(Telecommunications Infrastructures of Catalonia Consortium-ITCat)
Consorci Institut Català d'Arqueologia Clàssica	(Catalan Institute of Classical Archaeology Consortium)
Consorci Institut Català de Ciències Cardiovasculars	(Catalan Institute of Cardiovascular Sciences Consortium)
Consorci Institut de Física d'Altes Energies	(Institute of High Energy Physics Consortium)
Consorci Institut de Geomàtica	(Institute of Geomatics Consortium)
Consorci Institut d'Investigacions Biomèdiques Agustí Pi i Sunyer	(Agustí Pi i Sunyer Institute of Biomedical Research Consortium)
Consorci Laboratori de Llum de Síncrotró	(Synchrotron Light Laboratory Consortium)
Consorci Mar Parc de Salut de Barcelona	(Mar Health Park of Barcelona Consortium)
Consorci Markets, Organizations and Votes in Economics	(Markets, Organizations and Votes in Economics Consortium)
Museu Nacional d'Art de Catalunya	(National Art Museum of Catalonia)
Consorci Parc de Recerca Biomèdica de Barcelona	(Barcelona Biomedical Research Park Consortium)
Consorci Patronat Catalunya Món	(Catalonia World Trust Consortium)
Consorci Patronat de la Vall de Núria	(Vall de Núria Trust)
Consorci per a la Formació Contínua de Catalunya	(Consortium for Lifelong Learning of Catalonia)
Consorci per a la Normalització Lingüística	(Consortium for Linguistic Normalization)
Consorci Port de Mataró	(Mataró Port Consortium)
Consorci Port de Portbou	(Portbou Port Consortium)
Consorci Sanitari de Barcelona	(Healthcare Consortium of Barcelona)
Consorci Sanitari de l'Alt Penedès	(Healthcare Consortium of Alt Penedès)
Consorci Sanitari de l'Anoia	(Healthcare Consortium of Anoia)
Consorci Sanitari de Mollet del Vallès	(Healthcare Consortium of Mollet del Vallès)
Consorci Sanitari de Terrassa	(Healthcare Consortium of Terrassa)
Consorci Sanitari del Maresme	(Healthcare Consortium of Maresme)
Consorci Sanitari Integral	(Integrated Healthcare Consortium)
Consorci Sant Gregori, de Girona	(Sant Gregori Consortium of Girona)
Consorci Urbanístic Portal Costa Brava-Illa de Blanes	(Costa Brava-Illa de Blanes Portal Development Consortium)
Corporació Sanitària Parc Taulí de Sabadell	(Parc Taulí Healthcare Corporation of Sabadell)

Hospital Clínic i Provincial de Barcelona (Barcelona Hospital Clínic i Provincial)

Foundations

Centre de Documentació Política (Political Documentation Centre)

Centre de Medicina Regenerativa de Barcelona (Regenerative Medicine Centre of Barcelona)

Centre Tecnològic de Telecomunicacions de Catalunya (CTTC) (Telecommunications of Catalonia Technology Centre) (CTTC)

F.Priv. Catalana per a l'Ensenyament de l'Idioma Anglès i l'Educació en Anglès (Catalan Priv. F. for English Language Teaching and Education in English)

Fundació Centre de Seguretat de la Informació a Catalunya (Information Security Centre of Catalonia Foundation)

Fundació Hospital Universitari Vall d'Hebron-Institut de Recerca (Vall d'Hebron University Hospital-Research Institute Foundation)

Fundació Institució Catalana de Suport a la Recerca (Catalan Institution for Research Support Foundation)

Fundació Institució dels Centres de Recerca de Catalunya (Institution for Research Centres of Catalonia Foundation)

Fundació Institut Català de Paleontologia Miquel Crusafont (Catalan Institute for Paleontology Miquel Crusafont Foundation)

Fundació Institut de Ciències Fotòniques (Institute of Photonic Sciences Foundation)

Fundació Institut de Recerca contra la leucèmia Josep Carreras (Josep Carreras Leukaemia Research Institute Foundation)

Fundació Institut de Recerca de l'Hospital de la Santa Creu i Sant Pau (Research Institute of Santa Creu and Sant Pau Hospital Foundation)

Fundació Institut d'Investigació Biomèdica de Bellvitge (Biomedical Research Institute of Bellvitge Foundation)

Fundació Institut d'Investigació Biomèdica de Girona Dr Josep Trueta (Doctor Josep Trueta Biomedical Research Institute of Girona Priv. F.)

Fundació Institut d'Investigació en Ciències de la Salut Germans Trias i Pujol (Germans Trias i Pujol Institute for Research in Health Sciences Foundation)

Fundació Institut d'Investigació Sanitària Pere Virgili (Pere Virgili Institute for Health Research Foundation)

Fundació Institut Mar d'Investigacions Mèdiques (Mar Medical Research Institute Foundation)

Fundació La Marató de TV3 (La Marató de TV3 Foundation)

Fundació Parc Taulí, Fundació Privada (Parc Taulí Foundation, Priv. F.)

Fundació per a la Universitat Oberta de Catalunya (Open University of Catalonia)

Fundació Privada Centre de Recerca en Epidemiologia Ambiental (CREAL) (Centre for Environmental Epidemiology Priv. F.) (CREAL)

Fundació Privada Centre de Recerca en Salut (Barcelona Centre for Research in International

Internacional de Barcelona (CRESIB)	Health Priv. F.) (CRESIB)
Fundació Privada Centre de Regulació Genòmica	(Centre for Genomic Regulation Priv. F.)
Fundació Privada de Gestió Sanitària de l'Hospital de la Sta.Creu i Sant Pau	(Santa Creu and Sant Pau Hospital Priv. F. for Healthcare Management)
Fundació Privada de l'Hospital de Viladecans per a la Recerca i la Docència	(Viladecans Research and Teaching Hospital Priv. F.)
Fundació Privada del Món Rural	(Catalan Priv. F. for the Rural World)
Fundació Privada Fira d'Espectacles d'Arrel Tradicional, Mediterrània	(Traditional, Mediterranean Shows Fair Priv. F.)
Fundació Privada I2CAT, Internet i Innovació Digital a Catalunya	(I2CAT, Internet and Digital Innovation in Catalonia Priv. F.)
Fundació Privada Institut Català de Ciències del Clima (IC3)	(Catalan Institute for Climate Sciences Priv. F.) (IC3)
Fundació Privada Institut Català de Nanotecnologia (ICN)	(Catalan Nanotechnology Institute Priv. F.) (ICN)
Fundació Privada Institut Català d'Investigació Química	(Catalan Institute for Chemical Research Priv. F.)
Fundació Privada Institut de Medicina Predictiva i Personalitzada del Càncer (IMPPC)	(Predictive and Personalized Cancer Medicine Institute Priv. F.) (IMPPC)
Fundació Privada Institut de Recerca Biomèdica (IRB)	(Biomedical Research institute Priv. F.) (IRB)
Fundació Privada Institut d'Investigació Oncològica de Vall-Hebron (VHIO)	(Oncology Research Institute of Vall-Hebron Priv. F.) (VHIO)
Fundació Privada Jove Orquestra Nacional de Catalunya	(National Youth Orchestra of Catalonia Priv. F.)
Fundació Privada Parc de Recerca Biomèdica de Barcelona (PRBB)	(Barcelona Biomedical Research Park (PRBB) Priv. F.)
Fundació Privada per a l'Escola Superior de Música de Catalunya	(Priv. F. for the Advanced School of Music of Catalonia)
Fundació Privada Salut del Consorci Sanitari del Maresme	(Priv. F. Health of Healthcare Consortium of Maresme)
Fundació TicSalut	(ICT and Health Foundation)
Institució Catalana de Recerca i Estudis Avançats, F.Priv.	(Catalan Institute for Research and Advanced Studies, Priv. F.)
Institut Català de Recerca de l'Aigua, F.Priv. (ICRA)	(Catalan Water Research Institute, Priv. F.) (ICRA)
Institut Català de Recerca en Patrimoni Cultural, F.Priv. (ICRPC)	(Catalan Institute for Research in Cultural Heritage, Priv. F.) (ICRPC)
Institut de Recerca Biomèdica de Lledia Fundació Dr.Pifarré	(Dr.Pifarré Foundation Biomedical Research Institute of Lleida)

Source: Generalitat of Catalonia. Department of Economy and Knowledge

TAXATION

The following is a general description of certain EU, Luxembourg and the Kingdom of Spain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Simplified Base Prospectus and is subject to any change in law that may take effect after such date.

The information contained within this section is limited to taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in that other Member State; however, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at a rate of 35%. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

A number of non-EU countries, have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above. Investors who are in any doubt as to their position should consult their professional advisers.

Luxembourg Taxation

All payments of interest and principal by the Issuer in the context of the holding, disposal, redemption or repurchase of the Notes can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with the applicable Luxembourg law, subject however to:

- (i) the application of the Luxembourg laws of 21 June 2005 implementing the European Union Savings Directive (Council Directive 2003/48/EC) and several agreements concluded with certain dependent or associated territories and providing for the possible application of a withholding tax (20% from 1 July 2008 to 30 June 2011 and 35% from 1 July 2011) on interest paid to certain non Luxembourg resident investors (individuals and certain types of entities called "residual entities") in the event of the Issuer appointing a paying agent in Luxembourg within the meaning of the above-mentioned directive (see, paragraph "EU Savings Tax Directive" above) or agreements;
- (ii) the application as regards Luxembourg resident individuals of the Luxembourg law of 23 December 2005 which has introduced a 10% withholding tax on savings income (i.e. with certain exemptions, savings income within the meaning of the Luxembourg laws of 21 June 2005 implementing the European Union Savings Directive (Council Directive 2003/48/EC)). This law applies to savings income accrued as from 1 July 2005 and paid as from 1 January 2006.

Pursuant to the law of 23 December 2005 as amended by the law of 17 July 2008, Luxembourg resident individuals can opt to self declare and pay a 10 per cent. tax on interest payments made by paying agents located in a Member State of the European Union other than Luxembourg, a Member State of the European Economic Area or in a State or territory which has concluded an agreement directly relating to the EU Savings Directive (Council Directive 2003/48/EC) on the taxation of savings income.

The 10 per cent. withholding tax as described above or the 10 per cent tax are final when Luxembourg resident individuals are acting in the context of the management of their private wealth.

Responsibility for the withholding of tax in application of the above-mentioned Luxembourg laws of 21 June 2005 and 23 December 2005 is assumed by the Luxembourg paying agent within the meaning of these laws and not by the Issuer.

Spain Taxation

Pursuant to Article 14.5 of Law 8/1980, of 22 September, on the Financing of Autonomous Communities (*Ley Orgánica 8/1980, de 22 de septiembre, de financiación de las comunidades autónomas*), the debt of Autonomous Communities, except as otherwise stated in that law, is subject to the same rules and conditions as debt issued by the Kingdom of Spain.

In accordance with the provisions of Article 14 of Royal Legislative Decree 5/2004, of 5 March, approving the consolidated version of the law on Taxation of Non-Residents (*Real Decreto Legislativo 5/2004, de 5 de marzo, por el que se aprueba el texto refundido de la Ley del Impuesto sobre la Renta de no Residentes*), interest and income deriving from the transfer, exchange, redemption or reimbursement of Notes issued under the Programme and received by Noteholders who are non-residents of Spain for tax purposes will be exempt from taxation in Spain whether by withholding or otherwise, provided that such Noteholders do not act through a permanent establishment in Spain. In order for such exemption to apply, non-Spanish resident noteholders may need to provide evidence about their non-resident status for tax purposes (which may require the provision of a tax residence certificate issued by the competent Tax Authorities of their country of origin).

Interest and income deriving from the transfer, exchange, redemption or reimbursement of Notes issued under the Programme and received by Noteholders who are (a) Spanish resident Corporate taxpayers, or (b) non-resident in Spain but acting through a permanent establishment in Spain, will not be subject to withholding tax in Spain, although the recipients may be subject to taxation in Spain on the relevant income received, based on the interpretation given to the corporate income tax regulations by a non binding ruling issued by the Spanish tax authorities on 27 July 2004 to the extent the Notes will be (a) "colocados" (placed) outside the Spanish territory, in an OECD country and (b) listed on an organised market of an OECD country other than Spain.

The proposed financial transactions tax ("FTT")

The European Commission has published a proposal for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the participating Member States).

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

Notes and Coupons may be sold from time to time by the Issuer to any one or more of Banco Bilbao Vizcaya Argentaria, S.A., Banco Santander, S.A., CaixaBank, S.A., Crédit Agricole Corporate and Investment Bank, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, Goldman Sachs International, HSBC Bank plc, J.P. Morgan Securities plc, Société Générale (the "**Dealers**"). The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in an amended and restated Dealer Agreement dated 20 December 2013 (the "**Dealer Agreement**") and made between the Issuer and the Dealers. Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be purchased by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such purchase. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

United States of America

The Notes have not been and will not be registered under the Securities Act and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons. Each of the Dealers has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver the Notes within the United States or to, or for the account or benefit of, U.S. persons. In addition, until 40 days after the commencement of any offering, an offer or sale of Notes from that offering within the United States by any dealer whether or not participating in the offering may violate the registration requirements of the Securities Act.

The United Kingdom

Each Dealer has represented, warranted and agreed that, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that:

- (a) **No deposit-taking:** in relation to any Notes having a maturity of less than one year:
- (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
 - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
 - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
 - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) **Financial promotion:** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) **General compliance:** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Kingdom of Spain

The Notes may not be offered or sold in Spain other than by institutions authorised under Law 24/1988, of 28 July, on the Securities Market ("**Law on the Securities Market**") and Royal Decree 217/2008, of

15 February, on the legal regime applicable to investment services companies, to provide investment services in Spain, and in compliance with the provisions of the Law on the Securities Market and any other applicable legislation and any regulation developing it which may be in force from time to time.

General

Each Dealer has represented, warranted and agreed that, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that, to the best of its knowledge and belief, it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Simplified Base Prospectus or any Final Terms or any related offering material, in all cases at its own expense. Other persons into whose hands this Simplified Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Simplified Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

Neither the Issuer nor any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed "**General**" above.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification may be set out in the relevant Final Terms (in the case of a supplement or modification relevant only to a particular Tranche of Notes) or in a supplement to this Simplified Base Prospectus.

USE OF PROCEEDS

The net proceeds of the issue of each Tranche of Notes with a maturity of up to one year from their issue date will be applied by the Issuer to meet part of its general financing requirements. If, in respect of any particular issue of Notes, the maturity date of such Notes is later than one year from their issue date, the net proceeds of such issue will be applied exclusively by the Issuer to finance its investments and otherwise in compliance with the limits established in any applicable laws in force from time to time. If, in respect of any particular issue of Notes, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms. The Issuer expects to incur additional indebtedness in the future.

GENERAL INFORMATION

Authorisation

1. The establishment and update of the Programme have been authorised by the Issuer under the terms of:
 - (a) The Statute of Autonomy of Catalonia (*Estatut d'Autonomia de Catalunya*);
 - (b) Law 13/2008, dated 5 November, on the Presidency of the Generalitat de Catalunya and of the Government (*Llei 13/2008, de 5 de novembre, de la presidència de la Generalitat i del Govern*);
 - (c) Legislative Decree 3/2002 that approves the Public Finance Law (*Decret Legislatiu 3/2002, de 24 de desembre, pel qual s'aprova el text refòs de la Llei de Finances públiques de Catalunya*);
 - (d) Law 15/2008 approving the Budget for 2009 (*Llei 15/2008, de 23 de desembre, de pressupostos de la Generalitat de Catalunya per al 2009*);
 - (e) Law 13/2009 approving the Budget for 2010 (*Llei 13/2009, de 29 de desembre, de pressupostos de la Generalitat de Catalunya per al 2010*);
 - (f) Law 1/2011 regarding financial authorisations and budgetary and tax regulations during the period of budgetary deferral (*Llei 1/2011, de 17 de febrer, d'autoritacions financeres i normes pressupostàries i tributàries durant el període de pròrroga pressupostària*);
 - (g) Law 6/2011, approving the Budget for 2011 (*Llei 6/2011, de 27 de juliol, de pressupostos de la Generalitat de Catalunya per al 2011*);
 - (h) Law 1/2012, approving the Budget for 2012 (*Llei 1/2012, de 22 de febrer, de pressupostos de la Generalitat de Catalunya per al 2012*);
 - (i) Decree 170/2012, dated 27 December 2012, establishing the criteria for the extensión of the budget of the Generalitat during 2013 (*Decret 170/2012, de 27 de desembre, pel qual s'estableixen els criteris d'aplicació de la pròrroga dels pressupostos de la Generalitat de Catalunya per al 2012 mentre no entrin en vigor els del 2013*);
 - (j) The resolution passed by the Govern de la Generalitat de Catalunya on 27 January 2009, authorising the formalisation of a securities program "**Euro Medium Terms Notes**";
 - (k) The resolution passed by the Govern de la Generalitat de Catalunya on 5 January 2010, establishing the conditions for issuing public debt under the programme "**Euro Medium Term Notes**";
 - (l) The resolution passed by the Govern de la Generalitat de Catalunya on 15 March 2011, establishing the conditions for issuing public debt under the programme "**Euro Medium Term Notes**";
 - (m) The resolution passed by the Govern de la Generalitat de Catalunya on 28 February 2012, establishing the conditions for issuing public debt under the programme "**Euro Medium Term Notes**"; and
 - (n) The resolution passed by the Govern de la Generalitat de Catalunya on 22 January 2013, establishing the conditions for issuing public debt under the programme "**Euro Medium Term Notes**".

The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

Listing of Notes on the Official List of the Luxembourg Stock Exchange

2. Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme up to the expiry of the 12 months from the date of the Simplified Base Prospectus to be listed on the official list of the Luxembourg Stock Exchange and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange.

The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the Issuer.

Clearing of the Notes

3. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code and the International Securities Identification Number in relation to the Notes of each Tranche will be specified in the relevant Final Terms. The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

Legal and Arbitration Proceedings

4. Save as disclosed in this Simplified Base Prospectus, there have not been in the past 12 months, nor are there, any legal or arbitration proceedings (including any such proceedings which are pending or threatened) to which the Issuer is a party or of which the Issuer has been notified or is aware, which are material in the context of the Programme or the issue of Notes thereunder.

Significant/Material Change

5. Save as disclosed in this Simplified Base Prospectus (including any document incorporated by reference herein), since the date of the Issuer's latest published budgetary settlement there has been no material adverse change in the prospects of the Issuer nor any significant change in the financial position of the Issuer.

Supervision of Accounts

6. The *Sindicatura de Comptes de Catalunya and Intervenció General de la Generalitat de Catalunya*, supervises the Issuer's accounts on an ongoing basis and in accordance with generally accepted standards for supervision of accounts of public statutory bodies in Spain.

Post-issuance information

7. The Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

Documents available for inspection or obtainable

8. For as long as the Programme remains in effect or any Notes shall be outstanding, copies of the following documents may be inspected by Noteholders during normal business hours at the Specified Offices of each of the Paying Agents:
 - (a) the Agency Agreement;
 - (b) the Deed of Covenant;
 - (c) the Dealer Agreement;
 - (d) the Programme Manual (which contains the forms of the Notes in global and definitive form);
 - (e) the Issuer-ICSDs Agreement (which is entered into between the Issuer and Euroclear and/or Clearstream, Luxembourg with respect to the settlement in Euroclear and/or Clearstream, Luxembourg of Notes in New Global Note form); and

- (f) the terms and conditions set out on pages 21 to 38 of the simplified base prospectus dated 10 March 2009, the terms and conditions set out on pages 28 to 57 of the simplified base prospectus dated 19 March 2010, the terms and conditions set out on pages 28 to 57 of the simplified base prospectus dated 18 March 2011, and the terms and conditions set out on pages 20 to 41 of the simplified base prospectus dated 20 March 2012 in each case, relating to the Programme.

Copies of the Simplified Base Prospectus, any supplements thereto and any Final Terms relating to Notes issued under the Programme are available for viewing in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and are available for viewing and obtainable in printed form free of charge during normal business hours at the offices of the Issuer and at the Specified Offices of each of the Paying Agents.

The Issuer is an Autonomous Community (*Comunidad Autónoma*) with legal capacity as a public entity. No documents are incorporated by reference relating to the Issuer's constitution, incorporation, development and budgetary processes as these have all been provided for by laws and regulations duly published in the relevant official gazette which may be viewed online at www.boe.es and www.gencat.cat/dogc.

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