

May 29, 2024

Re: Banco Bilbao Vizcaya Argentaria, S.A. Offer for Shares of Banco de Sabadell, S.A.

Division of Corporation Finance
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549
U.S.A.

Attn: Ms. Tiffany Posil, Chief, Office of Mergers and Acquisitions
Mr. David Plattner, Special Counsel, Office of Mergers and Acquisitions
Mr. Shane Callaghan, Special Counsel, Office of Mergers and Acquisitions

Dear Ms. Posil and Messrs. Plattner and Callaghan:

We are writing as counsel to Banco Bilbao Vizcaya Argentaria, S.A. ("**BBVA**"), a bank organized under the laws of the Kingdom of Spain ("**Spain**"). On May 9, 2024, BBVA announced (the "**Announcement**") its intention to make an exchange offer to all shareholders of Banco de Sabadell, S.A., a bank organized under the laws of Spain ("**Banco Sabadell**"), to acquire all the issued and outstanding registered shares of Banco Sabadell, with a nominal value of €0.125 per share (each such share, a "**Banco Sabadell share**"), in exchange for ordinary shares, with a par value €0.49 per share, of BBVA (each such share, a "**BBVA share**") (the "**Offer**"). Pursuant to the Offer, BBVA has offered to exchange one BBVA share for each 4.83 Banco Sabadell shares. Banco Sabadell shares are listed on the Spanish Stock Exchanges in Madrid, Bilbao, Barcelona and Valencia ("**SSE**").

As discussed in further detail in this letter (the "**Letter**"), the Offer will need to be authorized by the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) ("**CNMV**"), and the CNMV will not authorize the Offer until the European Central Bank ("**ECB**") grants, expressly or tacitly, its no-opposition to BBVA's potential acquisition of control over Banco Sabadell pursuant to the Offer. The satisfaction of these requirements is expected to take approximately five to six months. If commenced, the Offer is expected to involve two separate offers made in compliance with Spanish and U.S. law, respectively. BBVA currently expects that the Tier II exemptive relief (the "**Tier II Relief**") provided under Rule 14d-1 under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), will be available for the Offer. The Offer would be made in Spain and the United States pursuant to a Spanish prospectus (*folleto explicativo*) to be submitted to the CNMV, and an offer to exchange/prospectus to be included in a registration statement on Form F-4 to be filed with the SEC (collectively, the "**Offer Document**"). The registration statement on Form F-4 would register the BBVA shares to be offered and sold to U.S. holders of Banco Sabadell shares pursuant to the Offer.

On behalf of BBVA, we hereby respectfully request that the staff (the "**Staff**") of the Securities and Exchange Commission (the "**Commission**") grant exemptive relief from Rule 14e-5 under the Exchange Act to permit BBVA, BBVA's subsidiaries and their respective Affiliates and Departments (as defined below) (collectively, the "**Prospective Purchasers**"), to conduct certain trading activities in the Banco Sabadell

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Securities (as defined below) prior to and during the conduct of, but outside of the terms of, the Offer as described in this Letter.

We also respectfully advise the Staff that, depending on the facts and circumstances, additional relief may be required under Regulation 14E, in which case a separate letter seeking such additional relief would be prepared in due course.

We are acting as United States counsel to BBVA in connection with the matters described in this Letter. BBVA has provided us with, and authorized us to make on its behalf, the factual representations set forth in this Letter. Certain lawyers from J&A Garrigues, S.L.P., who are members of the Spanish bar and are acting as Spanish counsel to BBVA in connection with the Offer, have reviewed the representations in this Letter concerning Spanish law and practice.

I. **Factual Background**

A. **Banco Sabadell**

Banco Sabadell is one of the largest banks in Spain's financial system, with total consolidated assets and total consolidated loans and advances to customers (at amortized cost) of €236,135 million and €153,259 million, respectively, as of March 31, 2024.

The main activity carried out by Banco Sabadell and its subsidiaries (collectively, the "**Sabadell Group**") is banking and, in particular, commercial banking. The Sabadell Group provides a wide range of products and services for large and medium-sized companies, small and medium-sized enterprises (SMEs) and individuals, and bancassurance. The Sabadell Group's operations outside of Spain are mainly concentrated in the United Kingdom, where it operates through TSB Banking Group plc. To a lesser extent, the Sabadell Group operates in Mexico and the United States. Banco Sabadell is the controlling company of the Sabadell Group.

Banco Sabadell is a "foreign private issuer" as defined in Rule 3b-4(c) under the Exchange Act. Further, Banco Sabadell shares are not registered under Section 12 of the Exchange Act and Banco Sabadell does not file reports with the Commission pursuant to Section 13(a) or 15(d) of the Exchange Act. As of March 31, 2024, the share capital of Banco Sabadell was €680,027,680.875 represented by 5,440,221,447 Banco Sabadell shares.

B. **BBVA**

BBVA and its subsidiaries (collectively, the "**BBVA Group**") are a global financial services group founded in 1857. Internationally diversified and with strengths in the traditional banking businesses of retail banking, asset management and wholesale banking, the BBVA Group has a leadership position in the Spanish market, it is the largest financial institution in Mexico in terms of assets, it has leading franchises in South America and it is the majority shareholder in Türkiye Garanti Bankası A.Ş., Turkey's largest bank in terms of market capitalization. The BBVA Group had total consolidated assets and total consolidated loans and advances to customers (at amortized cost) of €801,690 million and €388,949 million, respectively, as of March 31, 2024.

BBVA is a "foreign private issuer" as defined in Rule 3b-4(c) of the Exchange Act. The principal trading market for BBVA shares is on the SSE through the Automated Quotation System of the SSE under the symbol "BBVA." BBVA shares are also listed on the London Stock Exchange under the symbol "BVA" and

the Mexican Stock Exchange under the symbol “BBVA.MX.” BBVA’s American Depositary Shares (“**BBVA ADSs**”) are listed on the New York Stock Exchange under the symbol “BBVA”. BBVA ADSs are also traded on the Lima Stock Exchange by virtue of an agreement between the New York Stock Exchange and the Lima Stock Exchange. Each BBVA ADS represents the right to receive one BBVA share. The BBVA shares and the BBVA ADSs are registered pursuant to Section 12(b) of the Exchange Act and BBVA files reports with the Commission pursuant to Section 13(a) or 15(d) of the Exchange Act. As of March 31, 2024, the share capital of BBVA was €2,860,590,786.20 represented by 5,837,940,380 BBVA shares.

II. Qualification for Tier II Relief

In conducting the Offer on the terms described in this Letter, BBVA currently expects to be able to rely on the Tier II Relief provided under Rule 14d-1 under the Exchange Act, which provides exemptive relief from otherwise applicable rules to persons engaged in a tender offer under certain conditions. In order for an offer to qualify for Tier II Relief, (i) the subject company must be a foreign private issuer as defined in Rule 3b-4 under the Exchange Act and not an investment company registered or required to be registered under the Investment Company Act of 1940; (ii) no more than 40% of the securities of the subject company sought in the offer may be held by holders who are resident in the United States (“**U.S. holders**”); and (iii) the offeror must comply, subject to any applicable exemptions, with all applicable U.S. tender offer laws and regulations.

Pursuant to Rule 14d-1 under the Exchange Act, the issuer of the subject securities will be presumed to be a foreign private issuer and U.S. holders will be presumed to hold 40% or less of such outstanding securities unless: (i) the tender offer is made pursuant to an agreement with the issuer of the subject securities; (ii) the average daily trading volume of the subject securities in the United States for a recent twelve-month period ending on a date no more than 60 days before the public announcement of the offer exceeds 40% of the average daily trading volume of that class of securities on a worldwide basis for the same period; (iii) the most recent annual report or annual information filed or submitted by the issuer with securities regulators of the home jurisdiction or with the Commission or any jurisdiction in which the subject securities trade before the public announcement of the offer indicates that U.S. holders hold more than 40% of the outstanding subject class of securities; or (iv) the bidder knows or has reason to know that the level of U.S. ownership exceeds 40%.

As of the date hereof, BBVA has not entered into an agreement with Banco Sabadell with respect to the making of the Offer. Banco Sabadell shares are not traded on any national securities exchanges in the United States and, based on data from Bloomberg, during the 12-calendar-month period ended April 30, 2024, the average daily trading volume of Banco Sabadell shares in the United States represented less than 0.1% of the average daily trading volume of such class of securities on a worldwide basis for the same period. The most recent annual report or annual information filed or submitted by Banco Sabadell with the CNMV does not indicate that U.S. holders hold more than 40% of the outstanding Banco Sabadell shares. Finally, after reviewing information obtained from FactSet and Bloomberg, information filed with the CNMV in Spain, and information made public by Banco Sabadell, BBVA does not know or have reason to know that the level of U.S. ownership exceeds 40% of the outstanding Banco Sabadell shares.¹ On the basis of the foregoing, BBVA intends that the Offer would be made in reliance on the Tier II Relief.

III. Proposed Structure of the Offer

¹ The information referred to is incomplete and is not as of a single date and may be weeks or months old. Subject to these limitations, based on such information it is estimated that approximately 20-30% of the issued and outstanding Banco Sabadell shares were held by persons located in the United States. In light of this, Tier I exemptive relief is not expected to be available for the Offer.

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As indicated above, the Offer will need to be authorized by the CNMV, and the CNMV will not authorize the Offer until the ECB grants, expressly or tacitly, its no-opposition to BBVA's potential acquisition of control over Banco Sabadell pursuant to the Offer. The satisfaction of these requirements is expected to take approximately five to six months. If authorization is granted by the CNMV, the Offer would commence shortly thereafter.

If commenced, the Offer is expected to involve two separate offers made in compliance with Spanish and U.S. law, respectively. BBVA currently expects that Tier II Relief will be available for the Offer. The Offer would be made in Spain and the United States pursuant to the Offer Document. The Offer Document would be published on or around the date an Offer is formally commenced.

The Offer would comply with the requirements of Spanish Law 6/2023, of March 17, 2023, on Securities Markets and Investment Services, Royal Decree 1066/2007, of July 27, 2023, on the Takeover Bids Regime, and the relevant rules and regulations promulgated thereunder (collectively, the "**Spanish Takeover Regulations**") and Section 14(e) of the Exchange Act, and the rules and regulations promulgated thereunder.

Under the Spanish Takeover Regulations, the minimum acceptance period may not be less than 15 calendar days and no more than 70 calendar days. However, given the requirements under U.S. law, the Offer would remain open for an initial period of at least 20 U.S. business days. Under the Spanish Takeover Regulations, BBVA may extend the acceptance period, up to three days prior to the end of the initially established acceptance period, provided that the extended acceptance period does not exceed 70 calendar days. Any extension of the acceptance period in the Offer would be done in accordance with Rule 14e-1 under the Exchange Act unless relief therefrom is sought and obtained from the Staff.

Pursuant to the Spanish Takeover Regulations, within 10 calendar days from the date of commencement of the acceptance period, Banco Sabadell's Board of Directors must issue and publish a report regarding the Offer stating (i) the Board's observations in favor or against the Offer; (ii) whether there is any agreement between Banco Sabadell and BBVA, its directors or shareholders, or between any of them and the members of BBVA's management; (iii) the possible impact of the Offer and the strategic plans contained in the Offer Document on Banco Sabadell as a whole, including its staff and the location of its centers of activity; (iv) the Board's opinion regarding the Offer; and (v) whether Board members who are direct or indirect holders of Banco Sabadell shares intend to accept the Offer or not.

Consummation of the Offer (once commenced) is expected to be subject to the satisfaction of the following conditions (collectively, the "**Conditions**"): (i) acceptance of the Offer in respect of at least 2,720,654,746 Banco Sabadell shares, representing 50.01% of its share capital; (ii) the passing of a resolution by BBVA's general shareholders meeting approving the issuance of the BBVA shares to be issued in connection with the Offer; (iii) approval by the Spanish antitrust authorities; and (iv) approval by the UK Prudential Regulation Authority.

Banco Sabadell shareholders who tender their Banco Sabadell shares in the Offer may withdraw any such tendered Banco Sabadell shares at any time prior to the last day of the acceptance period.

After expiration of the acceptance period and satisfaction (or waiver) of the aforementioned conditions, the Offer would close, and BBVA would pay for all Banco Sabadell shares validly tendered and not withdrawn against the issue of BBVA shares. Closing would normally occur between 8 and 15 Spanish trading days after the end of the acceptance period.

IV. Purchases Outside the Offer

Trading Activities by the Prospective Purchasers

The Prospective Purchasers, including their affiliates and separately identifiable departments (“**Affiliates and Departments**”), offer a full range of banking and securities services to their clients, which include corporate and other business enterprises and institutional and individual investors. Such services include brokerage, research, trading, corporate finance, capital markets, underwriting, asset management and investment advisory services, including discretionary portfolio management for clients.

The Prospective Purchasers have historically traded in the Banco Sabadell shares, securities that are immediately convertible into, exchangeable for, or exercisable for Banco Sabadell shares, and derivatives related to such securities (including futures, forwards, options, swaps or similar instruments) (collectively, the “**Banco Sabadell Securities**”) on the SSE, or otherwise, and may have current positions in such securities. In particular, the Prospective Purchasers have historically engaged in, among other things, the following trading activities in relation to the Banco Sabadell Securities (collectively referred to herein as the “**Trading Activities**”):²

- (1) purchasing and selling Banco Sabadell Securities as part of the Prospective Purchasers’ ordinary course prime brokerage, portfolio and asset management activities (in which the Affiliates and Departments would generally have discretionary trading authority) and, except with respect to Banco Sabadell shares, as principal for their own accounts;
- (2) principal facilitation and unsolicited brokerage transactions involving purchases of Banco Sabadell Securities to facilitate or in response to customer orders, including clearance and settlement of these transactions (including buy-ins);
- (3) creation, trading and redemption of derivative products (including futures, forwards, options, repurchase agreements, warrants, swaps, cash-settled derivatives, debentures or similar instruments) and structured products (including structured notes, structured deposits, unit links or similar instruments), the performance of which is determined with reference to Banco Sabadell Securities or any index or basket of which they form a part;
- (4) hedging and covering activities, including dynamic hedging, short sales and other forms of hedging and covering;
- (5) index arbitrage activities;
- (6) program trades on behalf of clients, other than BBVA and Banco Sabadell;
- (7) stock borrowing and lending in Banco Sabadell Securities;

² This list of activities is broadly similar to those for which the Staff has previously granted exemptive relief under similar circumstances in, for example, the letter regarding UBS AG’s Holding Company Reorganization (July 22, 2014); the letter regarding the Combination of Barclays PLC and ABN AMRO Holdings N.V. (April 24, 2007); and the letter regarding Rule 14e-5 Relief for Certain Trading Activities of Financial Advisors (April 4, 2007) (the “**Trading Activities Relief Letter**”). In the Trading Activities Relief Letter, in order to qualify for exemptive relief under Rule 14e-5, a financial advisor must voluntarily comply with the City Code as a condition to the relief being granted. The Prospective Purchasers, however, are not undertaking to voluntarily comply with the City Code. BBVA is a financial institution and, consequently, unlike in the Trading Activities Relief Letter which related solely to financial advisors, BBVA engages in the Trading Activities in the ordinary course of its business.

- (8) purchasing Banco Sabadell shares for purposes of delivering such securities upon exercise of call options or warrants or buying Banco Sabadell Securities in respect of the exercise of put options or warrants in connection with the activities described in paragraphs (4) and (7) above;
- (9) buying and selling shares or units in collective investment schemes operated by any of the Prospective Purchasers, or by their associates, to clients of such Prospective Purchasers where the schemes in question may hold, acquire, or dispose of interests in Banco Sabadell Securities;
- (10) acting as trustee, nominee, or custodian for client positions in Banco Sabadell Securities (including executing instructions to liquidate the assets in a trust which may include Banco Sabadell Securities, and distributing the proceeds in accordance with the applicable law and contract), or for any other security mentioned in this list;
- (11) acting as executor or personal representative for a deceased client whose portfolio includes Banco Sabadell Securities (including executing instructions to liquidate the assets in an estate which may include Banco Sabadell Securities, and distributing the proceeds in accordance with the applicable law and contract); and
- (12) lending to clients and accepting a portfolio of securities including Banco Sabadell Securities as collateral for such loan.

Each of the Prospective Purchasers maintains and enforces written policies and procedures that are reasonably designed to prevent the transfer of information to or from its Affiliates, and to or from Departments within each such Prospective Purchaser, that might result in a violation of applicable laws through the establishment of information barrier policies and procedures.³ Such laws include Regulation (EU) No 596/2014 on market abuse, which includes legal and regulatory requirements that apply to, among other things, the use and misuse of inside information, market manipulation and conflicts of interests, and which requires financial institutions to have robust and formal information barriers and compliance procedures to ensure that ordinary course trading activities are strictly segregated from those areas of a financial institution which have access to inside information or strategic decision making.

Furthermore, in the context of a tender offer, the Prospective Purchasers are subject to regulation, both in the respective jurisdictions of their domicile as well as in the countries and markets where they operate, that is designed to protect shareholders against the types of abuses that Rule 14e-5 is designed to prevent. In particular, while the Spanish Takeover Regulations would allow BBVA to purchase Banco Sabadell shares during the offer process, any such purchase that is undertaken from the time of the Announcement would result in the Offer becoming unconditional (i.e., consummation of the Offer would no longer be subject to the satisfaction of the Conditions) and BBVA would have to offer all Banco Sabadell shareholders an alternative consideration in cash which could not be lower than the highest price paid for Banco Sabadell shares purchased outside the Offer.

Notwithstanding the foregoing, based on J&A Garrigues, S.L.P.'s discussions with the CNMV, which given Banco Sabadell is a Spanish company and the Banco Sabadell shares are listed on the SSE and not

³ According to the BBVA Group's Corporate Policy on Conduct in the Securities Markets (approved in July 2022) (the "Policy"), which is available on BBVA's website, information barriers are designed to (i) prevent uncontrolled flow of inside information between different areas or units of the BBVA Group; (ii) ensure that decisions related to the securities markets are made autonomously within each area or unit; and (iii) control the existence of potential conflicts of interests in the area of market abuse. According to the Policy, units that undertake activities of portfolio management, financial analysis, investment banking, brokerage, contribution to financial indices, and any other areas that have access to inside information must be separate and restricted areas.

registered under Section 12 of the Exchange Act, has primary regulatory authority over the Offer, the CNMV has provided certain guidelines that generally prohibit the purchase of Banco Sabadell Securities by the Prospective Purchasers for their own account, except for the Trading Activities referred to above and carried out in the ordinary course of their activities throughout the offer process, which would not trigger the consequences referred to in the preceding paragraph. The treatment granted by the CNMV to the related purchases is premised on the fact that the Prospective Purchasers would be acting in the ordinary course of their business, according to their past practice and not with a view to accumulating Banco Sabadell shares or facilitating the Offer.

The urgent need for the Prospective Purchasers to continue to carry out their ordinary-course Trading Activities forms the backdrop of the relief requested in this Letter. The need for relief is particularly acute in light of the potentially lengthy period that may elapse between the Announcement and completion of the Offer, which could be as long as seven to eight months, and withdrawal of the Prospective Purchasers from the markets for Banco Sabadell Securities for such long period of time (except to the extent permitted by the exceptions set forth in Rule 14e-5) would cause significant inconveniences for the BBVA Group and its clients and be disruptive to the BBVA Group's ordinary course activities.

Application of Rule 14e-5

Subject to certain exceptions, Rule 14e-5 prohibits a "covered person" from, directly or indirectly, purchasing or arranging to purchase any securities subject to a tender offer, or any securities immediately convertible into, exchangeable for or exercisable for such securities, except as part of the tender offer. This prohibition applies from the time of public announcement of the tender offer until the tender offer expires. "**Covered Person**" is defined as (i) the offeror and its affiliates; (ii) the offeror's dealer-manager and its affiliates; (iii) any advisor to any of the foregoing, whose compensation is dependent on the completion of the offer; and (iv) any person acting, directly or indirectly, in concert with any of the persons specified above.

Rule 14e-5 is designed to prevent manipulative and deceptive practices whereby a person making a cash tender or exchange offer purchases (or arranges to purchase) securities subject to a tender offer otherwise than pursuant to such offer. Among the concerns that Rule 14e-5 is designed to prevent are avoidance of pro-rationing requirements, disparate treatment of persons who tender into the offer and persons who sell securities outside the offer, and holders of large blocks of the subject securities demanding greater or different consideration than that offered pursuant to the tender or exchange offer. None of these concerns is present here. Furthermore, the Commission has recognized that a strict application of Rule 14e-5 could disadvantage U.S. security holders in some situations. In this context, the Commission has noted in Cross-Border Tender and Exchange Offers, Business Combinations and Rights Offerings, Release No. 33-7759, 34-42054 (October 22, 1999) (the "**Cross-Border Release**") that "flexible application of Rule 14e-5 is necessary and appropriate to encourage offerors for the securities of foreign private issuers to extend their offers to U.S. security holders."

Rule 14e-5(b) provides certain exceptions to the general rule prohibiting a Covered Person from purchasing or arranging to purchase the subject security outside the terms of the offer. However, the Trading Activities described above are not technically covered by the exceptions to Rule 14e-5 and thus would be prohibited by the rule.

Accordingly, the Prospective Purchasers are requesting relief to permit purchases or arrangements to purchase the Banco Sabadell Securities pursuant to the enumerated Trading Activities on the conditions set

forth below. Without relief, the Prospective Purchasers would effectively be compelled to stay “out of the market” for a significant period of time due to the restrictions in Rule 14e-5, which would cause significant inconveniences for the BBVA Group and its clients.

Basis for Exemption

Paragraph (d) of Rule 14e-5 states that the Commission may grant an exemption from the provisions of Rule 14e-5, either unconditionally or on specified terms and conditions, to any transaction.

In the Cross-Border Release, the Commission has provided for continued review of exemption requests, on a case-by-case basis, in situations, such as the instant case, where U.S. ownership exceeds (or is presumed to exceed) 10%. The Commission has enumerated certain factors that it considers important in ruling on a Rule 14e-5 exemption request, including (i) the proportional ownership of U.S. security holders of the subject security in relation to the total number of shares outstanding and to the public float; (ii) whether the offer will be for “any-and-all” shares or will involve pro-rationing; (iii) whether the offered consideration will be cash or securities; (iv) whether the offer will be subject to a foreign jurisdiction’s laws, rules, or principles governing the conduct of tender offers that provide protections comparable to, or even more protective than, Rule 14e-5; and (v) whether the principal trading market for the subject security is outside the United States.

In the context of the Offer, (i) BBVA reasonably believes U.S. persons beneficially own less than 40% of Banco Sabadell shares, which is consistent with the level of U.S. shareholdings noted in prior letters requesting relief from Rule 14e-5; (ii) the Offer would be for all of the outstanding Banco Sabadell shares; (iii) the Offer would be made on the same basis to U.S. and non-U.S. holders of Banco Sabadell shares and the consideration for the Offer would consist solely of BBVA shares; (iv) the CNMV would have primary regulatory authority over the Offer and it will be fully regulated under the Spanish Takeover Regulations, which include rules that provide protections comparable to Rule 14e-5 with respect to an offer that qualifies for Tier II Relief; and (v) the principal trading market for the Banco Sabadell shares is outside the United States.⁴

Further, the SEC has recognized the need for making accommodations on how Rule 14e-5 applies to financial institutions that are involved in a tender offer, so that they can continue to conduct their ordinary business. Rule 14e-5(b)(4) and Rule 14e-5(b)(12)(G) permit, respectively, a dealer-manager and its affiliates and affiliates of financial advisors to undertake purchases of subject securities or any related securities, provided certain conditions are met. According to Regulation of Takeovers and Security Holder Communications, Release No. 33-7760; 34-42055 (November 10, 1999), activities permitted under Rule 14e-5(b)(4) “generally do not raise the concerns that proposed Rule 14e-5 is intended to address.” Based on Commission Guidance and Revisions to the Cross-Border Tender Offer, Exchange Offer, Rights Offerings, and Business Combination Rules and Beneficial Ownership Reporting Rules for Certain Foreign Institutions, Release No. 33-8957; 34-58597 (September 19, 2008), Rule 14e-5(b)(12)(G) “is premised on the financial advisor’s affiliate carrying out its normal business activity when purchasing outside a tender offer The condition that purchases or arrangements to purchase cannot be made to facilitate the tender offer should continue to address abusive purchasing activity that the rule is designed to prevent.” As set forth under “—*Requested Exemptive Relief*” below, if exemptive relief was granted by the Staff in response

⁴ As noted above, Banco Sabadell shares are not traded on any national securities exchanges in the United States and, based on data from Bloomberg, during the 12-calendar-month period ended April 30, 2024, the average daily trading volume of Banco Sabadell shares in the United States represented less than 0.1% of the average daily trading volume of such class of securities on a worldwide basis for the same period.

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to this Letter, any purchase permitted thereunder would be subject to the condition that such purchase be entered into in the ordinary course and not to facilitate the Offer.

The Staff has previously granted exemptive relief under similar circumstances for activities similar to the Trading Activities in the letter regarding the Combination of Barclays PLC and ABN AMRO Holdings N.V. (April 24, 2007). The Staff also granted relief for activities similar to the Trading Activities in the letter regarding UBS AG's Holding Company Reorganization (July 22, 2014) and the letter regarding Rule 14e-5 Relief for Certain Trading Activities of Financial Advisors (April 4, 2007).

Although there are, in our view, doubts as to whether the jurisdictional predicate for the application of the Exchange Act - namely that there be a purchase of a security "by the use of any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange" - would be satisfied if the Prospective Purchasers made purchases of Banco Sabadell Securities with respect to Trading Activities outside the United States, we nonetheless apply, on behalf of such persons, for exemptive relief for such purchases from the provisions of Rule 14e-5 pursuant to Rule 14e-5(d), as set forth below. This Letter does not reflect an admission that Rule 14e-5 would apply to such purchases of Banco Sabadell Securities in respect of Trading Activities outside the United States in the absence of such exemptive relief.

V. Requested Exemptive Relief

Based on the foregoing, we respectfully request that Prospective Purchasers be granted exemptive relief for the Offer from the provisions of Rule 14e-5 to the extent necessary to permit them to purchase or arrange to purchase Banco Sabadell Securities outside of the Offer as part of the Trading Activities, through expiration of the Offer, subject to the following conditions:

- (1) Banco Sabadell is a "foreign private issuer" as defined in Rule 3b-4(c) of the Exchange Act;
- (2) the Prospective Purchasers reasonably believe that the Offer would qualify for Tier II Relief;
- (3) unless otherwise exempted or permitted under Rule 14e-5, the Trading Activities are only conducted outside the United States;
- (4) all purchases of the Banco Sabadell Securities by the Prospective Purchasers outside of the Offer as part of the Trading Activities (i) will be consistent with the normal and usual business practices of such Prospective Purchasers (including their respective Affiliates and Departments) and in compliance with the Spanish rules and regulations applicable to such purchases; and (ii) will not be conducted either (A) for the purpose of promoting or otherwise facilitating the Offer; or (B) for the purpose of creating actual, or apparent, active trading in, maintaining, or affecting the prices of the Banco Sabadell Securities;
- (5) each of the Affiliates and Departments of the Prospective Purchasers that conduct the Trading Activities has no officers (or persons performing similar functions) or employees (other than clerical, ministerial or support personnel), who direct, effect or recommend transactions in the Banco Sabadell Securities and who are also involved in (i) making strategic decisions concerning the Offer on behalf of BBVA or Banco Sabadell; or (ii) providing BBVA or Banco Sabadell with financial advisory services or dealer manager services;

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- (6) the Offer Document will disclose prominently the intention of the Prospective Purchasers to conduct the Trading Activities;
- (7) the Prospective Purchasers have an affiliate that is registered as a broker-dealer under Section 15(a) of the Exchange Act;
- (8) the Trading Activities are permissible under, and will be conducted in accordance with, all applicable laws of Spain or such other jurisdiction, if applicable, where such Trading Activities are conducted. The Prospective Purchasers and their respective Affiliates and Departments will also comply with any information barrier requirements imposed under applicable Spanish or other law;
- (9) the Prospective Purchasers and their respective Affiliates and Departments maintain and enforce written policies and procedures that are reasonably designed to prevent the transfer of information among the respective Prospective Purchaser and its Affiliates and Departments that conduct the Trading Activities that might result in a violation of the U.S. federal securities laws through the establishment of information barriers;
- (10) the Prospective Purchasers will publicly disclose in the United States information regarding the Trading Activities to the extent such information is required to be made public in Spain, pursuant to applicable requirements;
- (11) the Prospective Purchasers will provide to the Division of Corporation Finance, upon request, a daily time-sequenced schedule of all transactions in Banco Sabadell Securities made by the Prospective Purchasers during the Offer, on a transaction-by-transaction basis, including: (i) the size, broker (if any), date and time of execution, and price of purchase; and (ii) the exchange, quotation system, or other facility through which the purchase occurred;
- (12) upon the request of the Division of Corporation Finance, the Prospective Purchasers shall transmit the information as specified in paragraph 11 to the Division of Corporation Finance at its offices in Washington, D.C. within 30 days of its request;
- (13) the Prospective Purchasers shall retain all documents and other information required to be maintained pursuant to this exemption for a period of not less than two years from the date of the termination of the Offer;
- (14) each Prospective Purchaser relying on the relief granted hereby will make itself available (in person at the office of the Division of Corporation Finance or by telephone) to respond to inquiries of the Division of Corporation Finance relating to their records; and
- (15) except as otherwise exempted herein or pursuant to any other future no-action letter or exemptive relief, the Prospective Purchasers shall comply with Rule 14e-5 during the Offer.

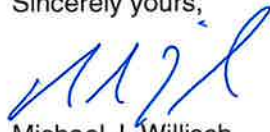
We hereby confirm, on behalf of BBVA, that as of the date of this letter and since the time of the Announcement, the Prospective Purchasers have not made any purchases of, or arrangements to purchase, Banco Sabadell Securities that are prohibited by Rule 14e-5.

* * *

Davis Polk

We appreciate the Staff's consideration of these matters. If you require any further information or have any questions regarding this request, please contact the undersigned at +34 91 768 9610.

Sincerely yours,



Michael J. Willisich

cc: Javier Álvarez-Cienfuegos, BBVA

GARRIGUES

29 May 2024

Division of Corporation Finance
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549
U.S.A.

Attn: Ms. Tiffany Posil, Chief, Office of Mergers and Acquisitions
Mr. David Plattner, Special Counsel, Office of Mergers and Acquisitions
Mr. Shane Callaghan, Special Counsel, Office of Mergers and Acquisitions

Dear Ms. Posil and Messrs. Plattner and Callaghan:

Refence is made to the exchange offer by Banco Bilbao Vizcaya Argentaria, S.A. (“**BBVA**”) to all shareholders of Banco de Sabadell, S.A. (“**Banco Sabadell**”), to acquire all the issued and outstanding registered shares of Banco Sabadell, announced on 9 May 2024 (the “**Offer**”).

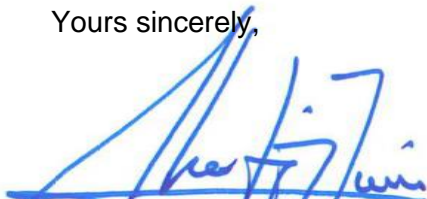
J&A Garrigues, S.L.P. is acting as Spanish counsel to BBVA in connection with the Offer.

In such capacity, we have reviewed the letter, dated 29 May 2024, prepared by Davis Polk & Wardwell LLP on behalf of BBVA requesting certain exemptive relief in connection with the Offer as described therein (the “**Letter**”). We hereby confirm that we believe that the descriptions of Spanish law, regulation and practice in the Letter are fair, complete and accurate as such relate to the Offer.

The foregoing confirmation is limited to matters involving the laws of the Kingdom of Spain in force as of today and is not to be read as extending by implication to any other matters not referred to therein. This letter is issued on the basis that it will be governed by, and construed in accordance with, Spanish law, and that all matters between the addressee of this letter and us (in particular, those regarding interpretation) will be brought before the Spanish courts.

This letter is provided solely for the benefit of the addressee in connection with the transaction contemplated in the Letter and may not be used or relied upon by any other person for any other purpose.

Yours sincerely,



J&A Garrigues, S.L.P.